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# Daily Report

CHINA

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# NOTICE

On 1 June 1987 FBIS will begin publication of reorganized and renamed DAILY REPORTS. The following list details the changes being made in the eight volumes.

- |  |   |
|--|---|
| I. CHINA DAILY REPORT                  | Contents unchanged  |
| II. EASTERN EUROPE DAILY REPORT        | Contents unchanged  |
| III. SOVIET UNION DAILY REPORT         | Contents unchanged  |
| IV. EAST ASIA DAILY REPORT             | Renamed; formerly ASIA & PACIFIC DAILY REPORT; contents unchanged   |
| V. NEAR EAST & SOUTH ASIA DAILY REPORT | Renamed; formerly MIDDLE EAST & AFRICA DAILY REPORT; contents include: <ul style="list-style-type: none"><li>Middle East &amp; South Asia Review</li><li>Inter-Arab Affairs</li><li>Islamic Affairs</li><li>Palestinian Affairs</li><li>OPEC Affairs</li><li>South Asian Regional Affairs</li><li>Arab Africa<ul style="list-style-type: none"><li>Algeria</li><li>Chad</li><li>Egypt</li><li>Libya</li><li>Mauritania</li><li>Morocco</li><li>Sudan</li><li>Tunisia</li><li>Western Sahara</li></ul></li><li>Arabian Peninsula<ul style="list-style-type: none"><li>Bahrain</li><li>Kuwait</li><li>Oman</li><li>PDRY</li><li>Qatar</li><li>Saudi Arabia</li><li>United Arab Emirates</li><li>Yemen Arab Republic</li></ul></li><li>Iraq</li><li>Israel</li><li>Jordan</li><li>Lebanon</li><li>Syria</li><li>South Asia<ul style="list-style-type: none"><li>Afghanistan</li><li>Bangladesh</li><li>India</li><li>Iran</li><li>Maldives</li><li>Nepal &amp; Bhutan</li><li>Pakistan</li><li>Sri Lanka</li></ul></li></ul> |
| VI. LATIN AMERICA DAILY REPORT         | Contents unchanged  |

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RENMIN RIBAO ARTICLE DISCUSSES THIRD WORLD DEBT

HK060607 Beijing RENMIN RIBAO in Chinese 1 Apr 87 p 7

[Article by Zhu Ji (4376 1015): "Good Words Indeed"]

[Text] Not long ago, the International Monetary Fund's Managing Director Champfeu asserted: To help poor countries reduce their debts, industrialized countries must lower the interest rate, forsake trade protectionism, and extend more government development aid and export credits. This is yet another appeal by the head of a world financial body since January this year when the World Bank President Conable called for checking the great influx of funds from poor countries into rich ones. These repeated appeals show that more people of insight in developed countries have now reached a common understanding with developing countries on a solution to the debt issue.

Developing countries' foreign debts have been increasing drastically like a rolling snowball in recent years. The fundamental reason for this is because the established international economic order has hindered developing countries in their economic development. It is difficult for them to export raw materials and primary products, as these products cannot be sold at good prices on the world market. The foreign exchange revenue that developing countries earn from export trade is not enough to make up their debts, or their development will be slowed down if they pay back the debts. In consequence, they have to borrow more money to pay back debts that fall due, and this results in a vicious circle by keeping their debts constantly increasing. When extending aid to developing countries in the past, the IMF has always required that debtor countries adopt a deflation policy. This has hampered the economic development of these countries and placed them in a poorer and poorer situation. This fact has taught the IMF that economic development is the fundamental way out to ensure that Third World countries will get rid of poverty and finally be able to pay off their debts. If developed countries show no concern for the economic development of developing countries but keep on urging them to pay back their debts, then they are undoubtedly killing the goose that lays the golden eggs -- it will not only harm developing countries but will also be disadvantageous to developed countries as well. Champfeu's statement is an expression of this view.

Developed countries are definitely responsible for the heavy debts of some developing countries. As the saying goes: "Those who start the trouble should end it." The alleviation of the debt crisis is not the duty of the debtor countries alone, but the creditor nations must also take a rational attitude in cooperating and consulting with the debtor nations and adopt appropriate policies to ensure that the growth rate of the debtors' export revenue will exceed the rate of the actual increase in the interest rate for the debts. If developed countries do not show sympathy and support for debtor nations, they will lose the right to demand payment of debts. This reminder by Champfeu is worth serious thought.

CHEN PIXIAN MEETS INTERNATIONAL LABOR OFFICIAL

OW061723 Beijing XINHUA in English 1542 GMT 6 Apr 87

[Text] Beijing, April 6 (XINHUA) -- Chen Pixian, vice-chairman of the National People's Congress (NPC) Standing Committee, met here today Gerd Muhr, chairman of the Workers' Group of the governing body of the International Labor Organization (ILO) and vice-chairman of the Federal German Trade Union Federation. Muhr is visiting China at the invitation of the All-China Federation of Trade Unions.

ARTICLE CRITICIZES SENATOR'S SPEECH ON PRC

HK031450 Beijing RENMIN RIBAO in Chinese 3 Apr 87 p 6

[Article by Fang Min (2455 2464): "A Clamor That Does Not Enjoy Popular Support"]

[Text] Not long ago, U.S. Senator Helms made an anti-China speech to the Asia-Pacific group of the Foreign Affairs Committee of the Senate and wantonly attacked China by saying that China's opposition to bourgeois liberalization is an "absurd political movement" and is "opposing intellectuals, opposing democracy, showing hatred to foreign countries, and, in particular, opposing America" and that the "main victims are the Chinese people." After several months of efforts, the ideological trend of bourgeois liberalization that was spreading for a time is now beginning to subside. China is now witnessing a situation of stability and unity, but Mr Helms still made such a clamor. This cannot but arouse people's attention.

As everyone is aware, Chinese leaders have made it very clear that the purpose of opposing bourgeois liberalization is to implement more correctly the line, principles, and policies drawn up over the last 8 years, to carry out reforms and the work of opening up to the world better, and to build socialism with Chinese characteristics. Premier Zhao Ziyang gave a systematic explanation on this question in his Government Work Report at the recent Fifth Session of the 5<sup>th</sup> NPC. In fact, more and more people are aware that the policies laid down in light of China's national conditions are being resolutely put into effect, that there has been further development in the situation of stability and unity, and that socialist democracy is being carried forward. All this enjoys the support of the people, including intellectuals. There is absolutely no such a thing as "opposing intellectuals or democracy." Helms' slanders cannot hold water at all in the face of facts, and they are not worth refuting. His assertion that China's opposition of bourgeois liberalization was "showing hatred to foreign countries and opposing America" and that the "main victims are the Chinese people" is even more ridiculous.

Recently, government officials and civilians from many countries, including the United States, have visited China. During their visits, they have held talks with Chinese leaders and made contacts with people in various circles. They have seen with their own eyes the actual situation in China. Many of them have come to understand China's current policies, have expressed gratification at the prospects for China's development, and have dispelled their misgivings and worries. It is not strange that some foreign friends have a misunderstanding of China's opposition to bourgeois liberalization. We are willing to exchange views with them so as to increase mutual understanding, but we must treat in a different way those who are bent on distorting facts, attacking China, and making malicious anti-China speeches.

This is not the first time Helms has attacked China. On two occasions when making speeches in the U.S. Congress over a month ago, Helms wantonly vilified China's opposition to bourgeois liberalization by saying that it "violates human rights." He also put forward a draft resolution demanding that the U.S. Government take action against China. This was brutally interfering in China's internal affairs and undermining Sino-U.S. relations.

Sino-U.S. relations are now developing steadily, and their friendly exchanges in the political, economic, scientific, technological, and cultural fields are increasing.  
[paragraph continues]



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Secretary of State Shultz' recent visit to China, as well as the visits by other Americans, have further indicated that the governments and peoples of China and the United States, including U.S. senators who devote their efforts to the development of Sino-U.S. relations, hope for sustained progress in the relations between the two countries. But we should also be aware that a small number of people in the United States always avail themselves of every opportunity to make trouble, interfere in China's internal affairs, and undermine Sino-U.S. relations. Their acts do not enjoy popular support in the United States either. Because developing Sino-U.S. relations corresponds with the common wish of the peoples of the two countries, any attempt to obstruct and disrupt the development of Sino-U.S. relations will certainly meet with strong opposition from the Chinese and American peoples.

RADIO NOTES U.S. WISH TO IMPROVE DPRK RELATIONS

SK070010 Beijing International Service in Korean 1100 GMT 6 Apr 87

[Text] According to a report by THE WASHINGTON POST of the United States on 4 April, the U.S. Government is considering the conditional improvement of relations with the DPRK.

The United States has reportedly informed Pyongyang that it will sell food and medicines to the DPRK if the North and South of Korea resume their dialogue and if the DPRK agrees to participate in the 1988 Olympic Games.

Also, it has been reported that the United States will try to modify the "Team Spirit" joint military exercise, which it annually holds with South Korea, will agree to give personnel of the North side of Korea visas to visit the United States, and will no longer oppose the DPRK's participate in international organizations.

RENMIN RIBAO CITES KIM IL-SONG ON REUNIFICATION

HK061216 Beijing RENMIN RIBAO in Chinese 6 Apr 87 p 6

[Report by Xu Baokang (1776 1405 1860): "Kim Il-song on Ironing Out the Confrontation Between the North and South, and on Reunification of Korea"]

[Text] Pyongyang, 5 Apr -- According to today's NODONG SINMUN, during an interview with PRENSA LATINA, a Cuban news agency, on 26 February, Korean President Kim Il-song pointed out that the purpose of holding high-level political and military talks between the North and South as proposed by North Korea is to eliminate confrontation and distrust between the North and South, seek trust and unity, prevent war on the Korean peninsula, ensure peace, and realize Korea's peaceful reunification.

President Kim Il-song said that distrust between the North and South is mainly due to political and military confrontation. A way out of the stalemate can be found and a new breakthrough in peaceful reunification of the Korean peninsula can be made only with serious consultations held among senior political and military leaders of both sides.

He emphatically pointed out that the republic government and the people throughout Korea will make utmost efforts to hold high-level political and military talks between the North and South, improve relations between the two sides, and create a favorable environment for Korea's peaceful reunification.

President Kim Il-song offered a proposal for holding high-level political and military talks between the North and South at the end of last year. Not long ago, the North agreed to hold premier-level talks and offered to hold ministerial-level talks on 23 April.

President Kim Il-song condemned the United States and South Korea for their ongoing joint war game "Team Spirit 87" and called for an unconditional end to their military exercises.

Talking about the 24th Olympic Games, President Kim Il-song reiterated Korea's position on the two sides jointly sponsoring the forthcoming Olympic Games. Despite the practical problems in realizing the plan of co-sponsorship, he said, the differences can be narrowed and solutions to the problems can be found so long as the parties concerned sit down together again and hold consultations with no strings attached. President Kim maintained that the games events should be equally shared between the two sides or be divided in proportion to the populations of the North and South. He said that North Korea will work hard to achieve noteworthy results at the fourth athletic talks in Lausanne. President Kim said that Korea is now making preparations for co-hosting the 24th Olympic Games. Construction of the Olympic Games village and Kwangpuk Avenue in Pyongyang's Man Kyong Tae is fully under way. Korea will offer excellent facilities for the events held in Pyongyang. Korea warmly welcomes athletes and tourists from all countries and will make everything convenient for them.

PRC CRITICIZES JAPANESE RELIEF TO TAIWAN SOLDIERS

OW061047 Tokyo KYODO in English 1034 GMT 6 Apr 87

[Text] Beijing, April 6 KYODO -- Chinese Government sources have criticized Japan for moving to pay relief money directly to Taiwan for the bereaved families of Taiwanese killed as a result of impressment into the defunct Japanese Army in World War II.

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The Japanese move is counter to the 1972 Japan-China normalization joint statement naming China the sole legitimate government, and that it is aimed at recognizing "two Chinas," the sources charged.

The sources thus urged Japan to strictly abide by the principles of the bilateral pact, as well as those contained in the 1978 Japan-China Peace and Amity Treaty and other agreements.

The Japanese Government has approved ruling Liberal Democratic Party proposals, including a budget appropriation in fiscal 1987 for payment of solace in fiscal 1988 to an estimated 33,000 ex-Japanese soldiers in Taiwan.

Chinese Government sources agreed that the bereaved relatives of Taiwanese soldiers, killed during World War II, are entitled to claim compensation from Japan.

China has maintained a cooperative attitude from a humanitarian viewpoint in consultations in the indemnity issue with the Japanese Government, the sources said.

The sources, however, criticized that Japan is moving to channel the indemnity payment through the Red Cross Society in Taiwan.

This move is a dangerous step leading to the "two China" trend, in which China is in strong disagreement, the sources said.

#### YANG YICHEN MEETS JAPANESE PROCURATOR, DELEGATION

OW061730 Beijing XINHUA in English 1550 GMT 6 Apr 87

[Text] Beijing, April 6 (XINHUA) -- Yang Yichen, procurator-general of the Supreme People's Procuratorate, met here today with Shigeki Ito, chief procurator of the Supreme Public Procurator's Office of the Ministry of Justice of Japan, and his delegation.

The Japanese guests arrived here today at the invitation of the Chinese Supreme People's Procuratorate.

#### TV, RADIO DELEGATION LEAVES FOR VISIT TO JAPAN

OW031230 Beijing XINHUA in English 1110 GMT 3 Apr 87

[Text] Beijing, April 3 (XINHUA) -- A Chinese broadcasting and television delegation led by Minister of Radio, Film and Television Ai Zhisheng left here today for a 10-day friendly visit to Japan at the invitation of the Japanese Broadcasting Corporation (NHK).

BURMESE TRADE MINISTER ARRIVES FOR TALKSZheng Tuobin Hosts Banquet

OW051358 Beijing XINHUA in English 1322 GMT 5 Apr 87

[Text] Beijing, April 5 (XINHUA) -- Chinese Minister of Foreign Economic Relations and Trade Zheng Tuobin hosted a banquet here this evening for U Khin Maung Cyi, Burmese minister for trade.

The Burmese minister arrived here yesterday at the head of a Burmese Government delegation.

Talks Held

OW060755 Beijing XINHUA in English 0708 GMT 6 Apr 87

[Text] Beijing, April 6 (XINHUA) -- Zheng Tuobin, minister of foreign economic relations and trade, today exchanged views with Burmese Minister for Trade U Khin Maung Cyi on further development of bilateral economic relations and trade including border trade.

Zheng noted the fast progress in the Sino-Burmese trade over the past two years, adding that the volume of their trade in 1986 was an all-time high. There still exist potentials, he added.

Zheng said, in order to strengthen its relations with neighboring countries, China's policy is to encourage border trade.

Later, the two sides signed a contract under which China will buy 150,000 tons of rice from Burma.

PRC, PHILIPPINES TO UNDERTAKE 17 JOINT PROJECTS

HX060605 Beijing CHINA DAILY in English 6 Apr 87 p 3

[By Cheng Hong]

[Text] The Chinese Government will work to strengthen scientific and technological exchanges with the Republic of the Philippines, Dong Zhiyong, vice-minister of forestry said in the opening speech at the eighth session on scientific and technical co-operation between China and the Philippines, held in Beijing yesterday.

Seventeen scientific and technological projects for 1987 have been approved at the session. China will take responsibility for nine projects proposed by the Philippines and the Philippine Government will undertake the other eight projects proposed by the Chinese Government.

"The projects will benefit both countries," Dong said. In the Chinese projects four people will be sent to study bamboo ecology and utilization for two weeks in the Philippines in November. Another four will be sent to do scientific research on timber for two weeks in October.

Dong said that the Philippine Government will also send professional people to visit or study in China.



Since the first session on co-operation between the two countries, held in Manila in 1978, 127 projects have been undertaken, including those on animal husbandry, forestry, transport, waterpower, electricity, public health and medicine.

Dong said that the two countries are thinking of increasing the number of scientific and technological projects because they have much in common.

#### XINHUA NOTES CONCERN ABOUT USSR PHILIPPINES ACTIVITIES

OW251654 Beijing XINHUA in English 1448 GMT 25 Mar 87

[Text] Manila, March 25 (XINHUA) -- Philippine Vice-President and Foreign Affairs Secretary Salvador Laurel today deplored "the unfortunate rash of unverified reports" on Soviet activities in the Philippines.

In a statement issued by his office, Laurel said the reports have placed the Soviet Embassy in an embarrassing situation.

There have been various reports in Manila newspapers recently about the unusual activities of the Soviet Union in the Philippines.

One report said the staff of the Soviet Embassy has increased from 34 to 57 without the knowledge of the Philippine Foreign Department.

The press quoted Philippine intelligence authorities as saying that Soviet "fishing vessels" equipped with sophisticated eavesdropping devices, were engaged in activities off the Philippine coast, and that such vessels are important and efficient intelligence-gathering facilities.

Laurel explained that the Philippines is a country with a free press, and the government cannot censor any news story nor could the government stop the press from making guesses and speculations. Laurel, however, stressed that press liberty is not license and that anyone can seek the protection of libel laws if they feel wronged or aggrieved.

#### XINHUA NOTES USSR OFFER ON PHILIPPINE POWER PLANTS

OW032045 Beijing XINHUA in English 1520 GMT 3 Apr 87

[Text] Manila, April 3 (XINHUA) -- The Soviet Union has proposed the construction of a multi-million dollar 300 megawatt coal power plant in Isabela, north of Manila, to replace the mothballed Batang Nuclear Plant, Philippine Ambassador to the Soviet Union Alejandro Melchor said here today.

Melchor told newsmen the Soviet Union made the proposal as the Philippines anticipates power shortage by 1990 as a result of the government decision to mothball the controversial nuclear plant.

Melchor said the proposed coal power plant has an estimated cost of 350 million U.S. dollars.

Melchor said Moscow will pursue the project as a private joint venture. "This will not add to our debt burden and we will pay them off from the revenues that this plant, when generating, will earn," he said.

THAILAND SAID DISAPPOINTED ABOUT TALKS WITH LAOS

OW272228 Beijing XINHUA in English 1658 GMT 27 Mar 87

[Text] Bangkok, March 27 (XINHUA) -- Thai Foreign Ministry spokesman Sarot Chawanawigat today expressed disappointment at the official talks between Thailand and Laos, which have produced no concrete results.

The success of talks hinges on sincerity on the part of both sides, Sarot told a press conference at the Thai Foreign Ministry here today.

He said the Thai side had shown its sincerity, but there had been no due response from the Laotian side.

For Thailand's part, Sarot said, it has lifted the embargo on the export of 212 out of the 273 items of strategic goods to Laos. The Thai media has refrained from attacking Laos since the two countries held talks in Vientiane late last year.

Asked whether the failure of the current bilateral talks to produce any concrete result was due to external factors, Sarot said: "It is not suitable for the matter to be brought into the open at present."

However, he said, the Thai Government still hopes that the two countries would resume and expand their relations, especially in the fields of economy and trade.

The 18-member Laotian delegation led by Deputy Foreign Minister Souban Salitthilat arrived here on March 24 for a four-day visit.

AMBASSADOR TO HANOI HONORS CHINESE MARTYRS

OW041312 Beijing XINHUA in English 1300 GMT 4 Apr 87

[Text] Hanoi, April 4 (XINUA) -- Chinese Ambassador to Vietnam Li Shichun and other embassy officials laid a wreath today at a tomb of Chinese martyrs in Thanh Hoa District, Vinh Phu Province, about 150 kilometers northwest of Hanoi.

Representatives from the Vietnam-China Friendship Association and Vietnam's Foreign Ministry also went together with the Chinese diplomats. The Vietnam-China Friendship Association also placed a wreath at the tomb.

A silk ribbon on the wreath laid by the Chinese Embassy reads: "Eternal life to the revolutionary martyrs."

The Chinese martyrs dedicated their lives during Vietnam's anti-French and anti-U.S. wars and its economic construction.

April 5 is the "Day of Pure Brightness," a traditional Chinese festival of holding memorial ceremonies for the dead. Chinese Counsellor Chen Zenglin and other members of the embassy Wednesday paid a tribute to the tombs of Chinese martyrs in Kimbang District, 300 kilometers south of Hanoi.

There are more than 53 tombs in the northern part of Vietnam where more than 1,400 Chinese martyrs were buried.

AUSTRALIAN PRIME MINISTER MEETS LU DONG

OW021210 Beijing XINHUA in English 1138 GMT 2 Apr 87

[Text] Canberra, April 2 (XINHUA) -- Changes taking place in China are of significance not only to China, but to the region and the world, Australian Prime Minister Robert Hawke stressed today.

Hawke made the remarks when he met Lu Dong, chairman of China's State Economic Commission, here at his office in the federal parliament house.

Lu Dong is now leading a Chinese delegation on a visit to Australia to take part in the first meeting of the China-Australia Joint Ministerial Economic Commission in this capital, and, together with Australian Minister for Trade John Dawkins, to open the fourth China-Australia Senior Executive Forum of the business leaders in Sydney, Australia's largest city.

Both Hawke and Lu expressed satisfaction with the smooth and successful ending of the first meeting of the China-Australia Joint Ministerial Economic Commission yesterday.

Lu Dong today called on Australian Minister for Industry, Technology and Commerce John Button, Foreign Minister Bill Hayden and Treasurer Paul Keating respectively.

The Chinese delegation arrived here on March 31.

ZHAO ZIYANG GREETES PRC-AUSTRALIA EXECUTIVE FORUM

OW032054 Beijing XINHUA in English 1714 GMT 3 Apr 87

[Text] Canberra, April 3 (XINHUA) -- Chinese Premier Zhao Ziyang and Australian Prime Minister Robert Hawke sent separate messages to greet the opening of the Fourth China-Australia Senior Executive Forum (CASEF) in Sydney today.

John Dawkins, Australian trade minister, and Lu Dong, chairman of the Chinese State Economic Commission, jointly opened the fourth CASEF. At the two-day forum, delegates will exchange views and discuss issues in the business relationship.

In a message of greetings, Zhao Ziyang said that China would continue to pursue the policy of opening to the outside world and reforms of economic and political systems.

The friendly relations between China and Australia over the past year have registered new progress and the ties between entrepreneurial and academic circles of the two countries have been strengthened through learning from each other and exchanging experience, he added.

Hawke said in his message that forums such as this were invaluable in promoting understanding between the peoples of the two countries.

He stressed that the Australian Government appreciate the important role which this forum played in facilitating the development of the mutually beneficial economic relationship between China and Australia.

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Attending the fourth CASEF were some 60 Australians and over 40 Chinese business executives and chairmen of China's provincial and municipal economic commissions, the largest Chinese business mission coming to Australia.

Proposed by Prime Minister Hawke, the first CASEF was held in Beijing in 1984, and then the forum became an annual event alternately in each other's capital.

PRC AIRLINER MAKES INAUGURAL FLIGHT TO AUSTRALIA

OW041751 Beijing XINHUA in English 1442 GMT 4 Apr 87

[Text] Canberra, April 4 (XINHUA) -- A Chinese passenger plane today made its first landing at the airport of Melbourne, Australia's second largest city.

The plane, a Boeing 747 of [the] Civil Aviation Administration of China (CAAC), flew from Beijing to that city via Guangzhou, capital of China's southern province of Guangdong, for the inauguration of a new air service between China and Australia.

The Beijing-Melbourne flight is a part of the resumed air service between the two countries.

CAAC and Qantas Airways, the Australian airline, have entered into joint service since September 1984 based on a commercial agreement under which CAAC has a return flight every week from Beijing to Sydney directly and Qantas from Melbourne to Beijing via Sydney.

The CAAC's service [was] suspended from April 1986, according to a minute between CAAC and Qantas in that year. The flight between Beijing and Sydney now resumed, adding to it, with a new Melbourne-Beijing flight via Sydney and Guangzhou while Qantas stopped its China service. [sentence as received]

SONG PING MEETS MALAYSIAN BUSINESSMEN'S GROUP

OW041318 Beijing XINHUA in English 1258 GMT 4 Apr 87

[Text] Beijing, April 4 (XINHUA) -- Song Ping, Chinese state councillor and minister in charge of [the] State Planning Commission, met here today a Malaysian delegation from the Federation of Malaysian Manufacturers headed by the federation's President Tunku Tan Sri Mohamed.

The Malaysian guests came to visit China at the invitation of the China Council for the Promotion of International Trade.

ZHAO ZIYANG RECEIVES OUTGOING FIJIAN ENVOY

OW031443 Beijing XINHUA in English 1239 GMT 3 Apr 87

[Text] Beijing, April 3 (XINHUA) -- Chinese Premier Zhao Ziyang met here today the outgoing Fiji Ambassador to China Joseph David Gibson.



NPC VICE CHAIRMAN MEETS PAKISTANI DELEGATION

OW032219 Beijing XINHUA in English 1541 GMT 3 Apr 87

[Text] Beijing, April 3 (XINHUA) -- Chu Tunan, vice-chairman of the National People's Congress Standing Committee, met here today a delegation from the Pakistani Administrative Staff College headed by Dr Karamat Ali. The delegation is here to make an investigation into China's recent industrial development, industrial management and industrial fund raising. The college has sent 11 delegations to visit China since 1974.

The delegation arrived here yesterday at the invitation of the Chinese People's Association for Friendship With Foreign Countries.

NEPALESE PREMIER PRAISES RELATIONS WITH PRC

OW011926 Beijing XINHUA in English 1449 GMT 1 Apr 87

[Text] Katmandu, April 1 (XINHUA) -- Nepalese Prime Minister Marich Man Singh Shrestha said here today that relations between Nepal and China are friendly and cooperative. The prime minister made these remarks at his office when meeting the visiting Chinese journalist delegation led by Kong Mai, secretary of the Secretariat of the All-China Journalists Association. He added that the exchanges of visits at different levels of the two countries have cemented the relations of the two peoples.

The prime minister told the visiting Chinese journalists that Nepal is making efforts to develop its economy. He noted that Nepal attaches importance to the development of water resources, the main resource of the country. He said that the Nepalese people appreciate the contributions of the Chinese Government and people to Nepal's development.

Kong Mai said that he has seen a great change in Nepal since his last visit to the Himalayan kingdom 30 years ago.

The six-member Chinese journalist delegation arrived here on March 26 for a 12-day friendly visit to Nepal at the invitation of the Nepalese National Journalists Association.

JOURNALISTS' DELEGATION CONCLUDES VISIT TO NEPAL

OW061718 Beijing XINHUA in English 1514 GMT 6 Apr 87

[Text] Katmandu, April 6 (XINHUA) -- A Chinese journalist delegation left here for Bangkok this afternoon after a 12-day goodwill tour in Nepal at the invitation of the Nepal Journalists' Association. During their stay in Nepal, the Chinese journalists were received by the Nepalese prime minister, chairman of the National Panchayat (parliament), foreign minister, minister of communications, state minister for tourism and vice-chairman of the National Planning Commission.

The Nepalese leaders introduced to the delegation the country's political and economic situation, foreign policy and cultural development as well as their development plans.

The delegation visited several industrial cities and tourism centers and some of the China-Nepal cooperative projects. They also viewed the local Panchayat elections of the country. The delegation, led by Kong Mai, secretary of the Secretariat of the All-China Journalists' Association, had wide contacts with their Nepalese colleagues and exchanged views on media development.

CSSR PREMIER ANTICIPATES PLANNED PRC VISIT

OW061716 Beijing XINHUA in English 1448 GMT 6 Apr 87

[Text] Prague, April 6 (XINHUA) -- Czechoslovak Premier Lubomir Strougal today told Chinese Ambassador Zhang Dake that he looks forward to visiting China.

He said he hopes to exchange views with Chinese leaders on furthering bilateral relations and world issues of common concern.

Strougal discussed arrangements for his visit to China in the near future with Ambassador Zhang.

HUNGARIAN ENVOY MARKS LIBERATION DAY IN BEIJING

OW020930 Beijing XINHUA in English 0923 GMT 2 Apr 87

[Text] Beijing, April 2 (XINHUA) -- The Chinese People's Association for Friendship With Foreign Countries held a cocktail party in celebration of the 42nd anniversary of the liberation of Hungary here this afternoon.

Among those attending the party were vice-president of the association Ling Qing and Hungarian Ambassador to China Ivan Laslo.

HUNGARIAN EQUIPMENT, APPLIANCE EXHIBITION OPENS

OW061717 Beijing XINHUA in English 1502 GMT 6 Apr 87

[Text] Beijing, April 6 (XINHUA) -- A four-day exhibition of electrical equipment and household appliances from Hungary opened today at the China International Exhibition Centre here.

At the exhibition, some 100 products from seven Hungarian factories and companies will be on show including insulating cables, low voltage switches, large kitchen equipment, refrigerators and washing machines.

The Transelektro Hungarian Electrical Trading Company, organizer of the exhibition, has exported to China about 100,000 electrical refrigerators in recent years and 14,000 tons of steel-aluminum electric wire in 1986.

An official from the Hungarian Commercial Councillor's Office in Beijing told XINHUA that the total volume of trade between Hungary and China in 1986 was about 600 million Swiss Francs and it is expected to be more this year. He hoped that the exhibition would help the expansion of the economic and trade relations between the two countries.

BRIEFS

HUNGARIAN FILM DAY -- Beijing, April 3 (XINHUA) -- A Hungarian film day opened in Beijing today. A detective feature film was shown at the opening ceremony held in Nationalities Palace of Culture. Among the 1,000 Chinese audience were Vice-Minister of Radio, Film and Television Ding Jiao and Hungarian Ambassador to China Laslo Ivan.  
[Text] [Beijing XINHUA in English 1128 GMT 3 Apr 87 OW]

WEN WEI PO 'TEXT' OF XU XIN NPC PRESS CONFERENCE

HK050320 Hong Kong WEN WEI PO in Chinese 5 Apr 87 p 2

["Text" of press conference held by PLA Deputy Chief of Staff Xu Xin on 4 April in Great Hall of the People in Beijing, "Transcribed From a Tape Recording"]

[Text] Xu Xin: Ladies, gentlemen, friends: My comrades and I are very happy to have this opportunity to meet Chinese and foreign journalists here today. I thank you, friends, ladies, and comrades, for your interest in Army building in China. I am willing to answer questions from the journalists, as far as I am able.

TA KUNG PAO: Central Military Commission Chairman Deng Xiaoping proposed in 1985 that the Army be reduced by 1 million personnel. Chief of Staff Yang Dezhi has said at this People's Congress session that this task has been basically fulfilled. Could you please discuss the basic situation in this work? In addition, Vice Chairman Yang Shangkun, speaking at a military conference in July 1985, demanded that a more rational proportion of officers to men be achieved after the streamlining of the Army and that the leadership groups at all levels be more keen-witted and capable. Could you please describe the situation in this respect? Has this goal been attained?

Hong Kong WEN WEI PO: China has stressed national defense and military modernization, and China has now reached advanced international standards in certain fields. Could you please tell us about the progress in China's national defense and military modernization, and in what respects it has already reached advanced international standards? In addition, China has stressed that the Armed Forces must be integrated with production and construction; will this affect the Army's training and its strength?

Italian ANSA Press Agency: A few years ago, it was decided to revive the military rank system, but this has not yet happened. What problems have you encountered in this respect?

VOA: I have three questions: 1) What is the current strength of the PLA? 2) Why has the PLA recently organized a Marine Corps? 3) According to a report from a certain province, the PLA is acting with the local government to maintain public order -- is this the PLA's mission?

AFP: First, during the meeting of the CPC Central Committee Political Bureau last year, was it the PLA that first raised the issue of opposing bourgeois liberalization? Are the Chinese Armed Forces very concerned over the current state of thinking among young people in China? Second, is it true that the PLA opposed the appointment of Hu Yaobang as new chairman of the Central Military Commission?

XINHUA: First, it is said that the ratio of China's spending on the Armed Forces will be reduced. Will this affect the progress of modernization of the Armed Forces and the strengthening of China's defense capabilities? Second, it is reported that Vice Chairman Yang Shangkun will visit the United States; could you confirm this? Which other leading Chinese military figures will visit foreign countries this year? And which leading foreign military figures will visit China?

Australian Broadcasting Commission: When the resignation of Hu Yaobang was announced on 16 January, it was said that the PLA in Beijing was placed on a state of alert. Could you confirm that?



JIEFANGJUN BAO: First, why has the revival of the system of ranks in the PLA not yet taken place? Second, this year marks the 60th anniversary of the founding of the PLA. Could you tell us about the arrangements for this event?

WEN WEI PO: First, as far as we journalists from overseas and from Hong Kong and Macao are concerned, the entire Chinese military system is rather strange. Could you tell us about the structure of China's military system? For example, how is work divided between the party's Central Military Commission and the state's Central Military Commission? What are the relationships between the three general departments and the military regions and the various branches of the Armed Forces? And what is their relationship with the Ministry of Defense?

Second, Judging by the pattern of the current international situation and military situation, how does China estimate the sources of Danger? Does the source of threat to China come from the east, the west, the south, or the north?

Third, in the history of very many countries, the Army gradually retires from the political scene after the political regimes has been established, and a situation forms in which the army does not interfere in politics. Will this situation gradually come about in China?

Xu Xin: Now I would like to answer the question from TA KUNG PAO of Hong Kong first. The Chinese Government decided in June 1985 to reduce its troops by 1 million. Up to now, this task has been broadly supported by the fighters and commanders of the Chinese PLA. It is supported by the government and welcomed by the people of China. So far, the former 11 military regions have been merged into 7, and some of the military institutes, troops, and organs in the Chinese Armed Forces have been abolished and reduced. This work has been conducted very smoothly.

After the work of reducing the troops and streamlining the structure of the Armed Forces, we have basically completed the task of bringing young officers into leading posts. Of course, it is necessary to have some veteran officers stay in the Army so that they will pass on their experience to the younger ones. At present, the ratio between officers and men has become more rational.

Now I would like to answer the questions concerning ranks in the Chinese PLA. This question is raised by the journalist from the ANSA News Agency from Italy and the journalist from JIEFANGJUN BAO.

We will certainly introduce ranks into the Chinese PLA. Ranks in the Chinese PLA have been abolished for more than 20 years. Since the PLA is a large force, the reintroduction requires a huge amount of work. It takes time and painstaking work to make preparations. At present, we are making these preparations. We want to do a good, careful, and more meticulous job. A well-prepared job before the reintroduction of ranks. Therefore, it takes a longer period of time. There have been no difficulties.

Now I will answer the question raised by VOA. Our Marine Corps was organized long ago; it is not something that has only been organized now. As for maintaining local public order, that is the mission of the police and the armed police. You ask our actual strength. My friends, we have reduced Army strength by 1 million. As for how much remains, the papers have openly published this and your friends all know it well.



I will now answer the question from AFP. The AFP journalist mentioned that opposition to bourgeois liberalization was raised by the PLA; that is groundless. Our country's line since the 3d Plenary Session of the 11th CPC Central Committee has been correct; opening up to the world, reform, invigoration, and upholding the four cardinal principles constitute the sole correct line. And this has been laid down by the central authorities. The PLA resolutely supports the line, principles, and policies laid down by the central authorities. It is also groundless to say that the PLA opposed the appointment of Comrade Hu Yaobang as chairman of the Central Military Commission. Our Army, [as published] we have elected our Central Military Commission chairman, and everyone -- the people of the whole country, and the whole Army -- supports him. Comrade Deng Xiaoping, chairman of our Central Military Commission, is respected throughout the world and at home, by our whole country and party.

I would now like to answer the question of the XINHUA reporter. The question is, since the ratio of military spending in China has been reduced, will this affect army building or not?

During the current NPC session, Comrade Wang Bingqian delivered a report in which he made clear the amount and ratio of military expenditure for the Chinese PLA. I think our friends who are present here know this very well. Our country is still very poor. In implementing the program of the four modernizations, we cannot but give priority to and concentrate on agriculture, industry, science, and culture. Of course, the modernization of national defense will also advance commensurate with the level of our national economic construction. But the focus is on agriculture, industry and science, and culture. That is the reason our national defense expenditure has been reduced year after year in its ratio with other expenditures. It is on the basis of this situation that we make decisions on how to build our Armed Forces. We will try our best to use the limited military budget in areas where it is most needed. For instance, the Military Commission of the party Central Committee has decided that we should act in a planned and systematic manner to promote army building with modernization of national defense as the center. This is to say, we will raise the quality of the officers and men of our Armed Forces and improve their joint self-defense combat capabilities. In order to attain this goal, the key points are to train qualified personnel, to upgrade equipment, and to step up scientific research for national defense technologies. Training qualified personnel mainly means training the officers. Apart from in-service training, the most important thing here is training in academies and schools.

Regarding our academies and schools, our academies and schools for training command officers are divided into elementary, intermediate, and high grades. A high one is the National Defense University. Specialist technical officers are mainly of intermediate and high grades. In the units, training mainly consists of single-branch tactical and battlefield training, and its main objective is to train a new recruit who has just joined us from civilian life into a genuinely qualified soldier. Such a man joins a company after training in an instruction regiment. Through tactical training, we are able to improve the capability of various branches of the Armed Forces to fight in concerted action, together with their quick reaction capability, their capability in electronic countermeasures, their capability to survive in field combat, and the capacity of rear services and supply. Through battlefield training, we are able to unify people's ideas on combat, familiarize them with the battlefield, improve the standard of simulation, and improve their capability for battlefield deployment command. In a word, through their training, we improve the qualities of officers and men and our capability in comprehensive self-defense command.

As far as the equipment of our Armed Forces is concerned, it should be noted that China attaches relatively great importance to its defense industry. [paragraph continues]

We are doing fairly well from research to development to manufacture of our equipment, the equipment for the various arms and services. In addition, our defense industry has reached a certain level and developed to a considerable scale. However, in comparison with the developed countries, we are still lagging quite far behind in some technical fields. Some reporters, including that from the Hong Kong WEN WEI PO, raised questions regarding the degree of modernization of the equipment of our Armed Forces. It is precisely for this reason that we are working hard at present to raise the level of our national defense scientific research work to develop the modernization of our weapons and equipment. Since our military budget is limited, we are therefore stressing that we should, under the prerequisite of national economic construction, act in a planned and systematic manner, give priority to scientific research and quality, and concentrate our energy in a selective way to solve the problem of the weapons and equipment most urgently needed for our defensive combat capability. By doing this, we hope we can narrow the gap between our Armed Forces and those of the developed countries and enable our Armed Forces to be better equipped. During this process, we emphasize self-reliance. At the same time, we will promote international cooperation. When it is necessary, we will also introduce some advanced technologies and equipment into the Chinese Armed Forces in order to speed their modernization.

The building of the Chinese Armed Forces has three aspects -- revolutionization, modernization, and regularization. These three aspects are closely linked to each other, and none of the three is dispensable. To modernize the Chinese Armed Forces, our Armed Forces cannot do without revolutionizing themselves. From the historical point of view, we have attached great importance to doing ideological and political work in the Army. Only by doing things in such a way will it be possible for us to build the Chinese Armed Forces into a modern army with Chinese characteristics, to follow a correct orientation, and to arouse the revolutionary enthusiasm of the commanders and fighters. This is specifically reflected in the decisions made at last year's enlarged meeting of the Military Commission on strengthening ideological and political work during the new period. Right now, all the commanders and fighters of the Chinese PLA are vigorously implementing these decisions. We will definitely be able to create new features in terms of revolutionization, modernization, and regularization of the Chinese PLA. In addition to this, in the course of modernizing our Armed Forces on the basis of the prerequisite of developing the socialist four modernizations program of our nation, our Armed Forces have also been able to spare some time in supporting the central government and local governments in their economic construction. Last year, for instance, the PLA contributed over 17 million work days in support of socialist economic construction. We supported the building of over 6,000 projects for socialist construction. During the year, over 3,000 aircraft and ships took part in supporting socialist construction. The major projects included the project to bring water from the Huang He to Qingdao in Shandong, the river embankments in Liaoning, and the road-bridges for the Huang He bridge at Zhengzhou. We have also carried out the task of training dual-purpose talented people. This is beneficial for the country, the people, and the Armed Forces. We have taken the above measures in building our Army while the ratio of military spending has been reduced, to ensure the building of a modern army with Chinese characteristics.

Our work in building such an army is subordinate to the overall situation of economic construction in China.

I will now ask a question raised by XINHUA: Will Vice Chairman Yang Shangkun visit the United States?

The United States has invited Vice Chairman Yang Shangkun to visit on many occasions. The two countries are currently holding consultations on this matter.

An Australian journalist said that the Army was put on a state of alert and so on during the personnel reshuffle this year. That is quite groundless.

With regard to the celebration activities for the 60th anniversary of the PLA: The 60th Anniversary of the founding of the Chinese PLA will occur on 1 August this year. We are now making preparations for carrying out broad activities to celebrate the 60th anniversary of the founding of the Chinese PLA from the middle of July to the first 10 days of August. The activities will focus on upholding the four cardinal principles, carrying out the PLA's glorious traditions, and strengthening unity between the Army and the government and between the Army and the people, particularly publicizing the great achievements made by the PLA, under the leadership of the CPC, in bringing about the Chinese people's liberation and defending and building the motherland; publicizing the brilliant contributions made by Mao Zedong and other proletarian revolutionaries of the older generation in China's revolutionary war and in Army building; publicizing the new achievements and progress made by the Army since the 3d Plenary Session of the 11th CPC Central Committee; publicizing the purpose and principle of Army building, its fine work style, and its heroes and models; and publicizing the concern and support accorded to the Army by the governments at all levels and by the Chinese people. Through the propaganda work in the commemorative activities, we will enhance our sense of defending the nation by the whole people, strengthen the Army's consciousness, and arouse the commanders' and fighters' revolutionary enthusiasm for building the Army, defending and building the country, and safeguarding world peace. The propaganda activities will be conducted in such a way that they will be ceremonious, lively, and colorful, but simple and effective.

I will now answer the question from the Hong Kong WEN WEI PO: Where does the main threat to our country come from? I ask you friends and ladies here to analyze the situation on all sides of China; you will then draw your conclusion.

As for the leadership system of our Army Forces, the PLA is under the absolute leadership of the CPC. It is the CPC Central Committee's Central Military Commission that exercises CPC leadership over the PLA. The PRC Constitution stipulates the establishment of a State Military Commission. Article 93 of the PRC Constitution stipulates that the PRC Central Military Commission leads the entire Armed Forces of the country. Leadership over the Armed Forces through the State Military Commission by no means hampers CPC leadership over China's Armed Forces. Comrade Deng Xiaoping is the chairman of the CPC Central Military Commission, and he is also chairman of the State Military Commission. The State Military Commission is elected by the NPC.

Our Armed Forces have never interfered in government affairs. Note this, please, friends and ladies, our Ministry of National Defense is a functional department under the leadership of the State Council; it takes charge of national defense building. The Armed Forces resolutely carry out the policies and decrees of the government.

TIME magazine: We have heard an unconfirmed report that China is now building its first aircraft carrier. Can you confirm this? If this is so, will this be taking place in the near future?

VOA: First, following the U.S. warships' visit to Qingdao, does the PLA Navy have any plans to visit the United States? Second, does China station military attaches in foreign countries? How many foreign countries have military attaches stationed in Beijing? [paragraph continues]



Third, how many Chinese officers have been abroad for further studies? And how many of them are in the United States? How many are there now? How many have returned? What was the highest academic attainment of those who have returned?

Xu Xin: There has been no change in our strategy. Our strategy is one of active defense. As for building an aircraft carrier, this is the first I have heard of it. I just heard you say that. Quite honestly, we have no need to engage in such a project today.

For the sake of Hong Kong's security, the PLA will certainly be stationed in Hong Kong, and this is written into the Sino-British Agreement. As for the questions of how many troops will be stationed there and whether the Hong Kong compatriots will be able to join the Army, the central government will make the decisions as necessary when the time comes.

Regarding the incident last year of a small number of people in a number of colleges stirring up campus disturbances, not a single person from the PLA's more than 100 academies joined the students' disturbances. At the moment, the PLA is conducting education in upholding the four cardinal principles and opposing bourgeois liberalization. This is education. The people of the whole country, in the urban areas, are undergoing this education. In this way we can implement the party's line still better in the PLA.

As to the question of whether U.S. warships will come to China for a second visit, the reason is that due to the current busy schedule of program in China, the visit cannot be arranged at the moment. We have already discussed this with our American friends.

Are there any plans for Chinese warships to visit the United States? At present there are none. As for the question of how many foreign attaches China has serving abroad, how many foreign military attaches are stationed in China, and how many officers have been to the United States for further studies, all I can say is, no comment. In a word, China has quite extensive exchanges with the world in various sectors and fields.

#### NPC CONTINUES; REVIEWS DEVELOPMENT, REGULATIONS

##### Village Committee Regulations

OWO60553 Beijing XINHUA Domestic Service in Chinese 1441 GMT 4 Apr 87

[Excerpts] Beijing, 4 Apr (XINHUA) -- When examining and discussing the "Organic Regulations for Villagers' Committees (draft)" at the Fifth Session of the Sixth NPC, the deputies said: The establishment of villagers' committees in rural areas to let villagers organize and govern themselves in accordance with democratic principles is a major reform toward perfecting China's grass-roots organizations according to constitutional provisions. It is an important way to develop direct socialist democracy. The enactment and implementation of the "Organic Regulations for Villagers' Committees (draft)" will legally protect the democratic rights of China's 800 million peasants and promote the building of socialist material and spiritual civilizations in rural areas. Some deputies suggested certain revisions to the draft regulations. There are also some deputies who think that conditions for adopting these regulations are not yet ripe. [passage omitted]

Liu Jun, Chu Zhuang, and He Guangdr, deputies from Habei Province, said: The adoption and implementation of these regulations can stop some rural cadres from disregarding law and discipline and acting arbitrarily; overcome the predicament of no one being in charge following the separation of government functions from the management of communes in rural areas; avoid repetition of such problems as giving arbitrary directions that once existed in rural areas after the founding of the People's Republic; and make villagers' committees truly play a self-management role. [passage omitted]

Some deputies from Jilin and Hunan put forward the following opinion. According to these regulations, cadres of villagers' committees will be elected. Currently, however, we are not sure that cadres who truly work conscientiously will get elected. It is better to combine evaluation by higher-level authorities with election by the masses in selecting villagers' committee cadres. After the chairman of villagers' committees are elected, the election results should be approved by the authorities. Complex problems will arise if cadres are selected merely through elections. [passage omitted]

The Organic Regulations for Villagers' Committees stipulate that the villagers' committees are mass organizations of self-management at the grass-roots level. Feng Xinglu, an NPC deputy and head of Qinglong County, Guizhou Province, disagreed with this stipulation. He said: A village-level organization is in charge of public security, civil mediation, economic development, production, family planning, conscription, and other work. These are government tasks which cannot be handled by mass organizations of self-management. [Passage omitted] He suggested that Article 2 of the regulations (draft) be revised to define the villagers' committees as government organizations at the grass-roots level. [Passage omitted]

Many deputies from Fukian were of the following opinion: [Passage omitted] In many villages today, village party branches make decisions while the villagers' committees implement the decisions. In many villages, the leading group of the party branch is also the leading group of the villagers' committee. In fact, the villagers' committees are performing more tasks than what these regulations stipulate. If these regulations are implemented, the relations between the villagers' committee and the village party branch will become difficult to handle. [Passage omitted]

#### Science Development Urged

OWO61214 Beijing XINHUA in English 1139 GMT 6 Apr 87

[Text] Beijing, April 6 (XINHUA) -- Deputies to China's National People's Congress (NPC) called for more investment in science development and further reforms in the management of scientific research while reviewing the country's problems in scientific research during panel discussions at the ongoing Fifth NPC Session.

Many deputies mentioned the problem of funds for basic research. Chen Zhuan from Zhejiang Province said that it is right to pay attention to the economic results of scientific research. However, immediate economic results should not be overemphasized at the expense of basic research.

Citing agricultural science as an example, Chen said that the development of agricultural science has to be financed mainly by state allocations, development loans and funds for natural sciences since achievements in this area can not be sold to peasants at high prices.

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Lu Guanping from Anhui Province said that technical personnel are badly needed at grass-root units because of their concentration in large cities. Some of the country's policies have also resulted in concentration of scientists and technicians in major cities.

Wang Yinglai from Shanghai said that many old scientists have been deprived of the opportunity to work because of the indiscriminate retirement system although there are not enough qualified successors to them.

Yang Chengzhong from Gansu Province said that the practices of promotion by seniority, eating from the "common pot" and complicated relationships among colleagues have hampered the growth of young scientists and reduced the vitality of scientific research. He urged the government to adopt forceful measures to change such a situation.

Zheng Qingcun from Guangdong Province called for absorbing imported technologies and warned that otherwise China would forever lag behind foreign countries.

Xurenge from the Inner Mongolia Autonomous Region urged the central government to allocate more funds for establishing technical schools in rural and pastoral areas and improve the living standards of scientists and technicians working there.

#### Procuratorate Work Report Given

OWO61218 Beijing XINHUA in English 1149 GMT 6 Apr 87

[Text] Beijing, April 6 (XINHUA) -- China will continue to resolutely crack down on serious economic crimes this year while keeping a firm grasp of the work to deal with criminal cases, said Yang Yichen, procurator-general of the Supreme People's Procuratorate.

This is an important measure to ensure the smooth progress of the current economic structural reform and opening to the outside world, he stressed.

In his report on China's procuratorate work to the current Fifth Session of the Sixth National People's Congress this afternoon, Yang told the deputies that the Chinese procurator handled 81,591 economic cases, and recovered and captured illicit money and goods worth 800 million yuan in 1986. They also approved 315,000 arrests and decided to prosecute 319,000 cases.

The number of economic cases handled last year increased by 54 percent over the previous year, he said. Among them, 13,888 were major cases, 4.3 times that of 1985, and more than 700 cases of economic crimes involved leading officials at the county level and above and 137 cases involved officials in central government departments.

Statistics from 11 provinces including Shanxi, Anhui and Guangxi showed that 7,219 people who committed economic crimes surrendered themselves to the police or judicial departments last year, the procurator-general said.

The resolute measures taken against economic crimes have basically held in check the rampant economic crime wave, Yang said.



While cracking down on criminal and economic offences, the procuratorates at various levels have also handled 32,000 cases of other offences involving the infringement upon the people's democratic rights and dereliction of duty. These were mostly cases of extorting confessions by torture, illegal detention and imprisonment, illegal search and bending the law for personal gains and major accidents due to negligence.

Yang said the procuratorates of the whole country received one million letters and visits filing or voicing charges or appeals over the past year, which is another major duty of the people's procuratorates. The number of cases of appeal or complaint handled directly by the people's procuratorates came to 118,000, he said. In addition, they redressed 13,700 wronged cases, frame-ups and misjudged cases, including 9,600 cases whose verdicts were passed during and before the Cultural Revolution.

Though much has been achieved in cracking down on economic crimes, Yang said, a number of grave economic cases in many places remain to be investigated and handled and new economic crimes keep occurring. This, he said, has made the tasks of cracking down on economic crimes even more arduous.

Thanks to the joint efforts by the judicial organs and the people of the whole country, he added, there has been marked improvement in social order and the total number of criminal cases has dropped to a certain extent.

However, he pointed out, greater efforts are needed for further improvements as the number of grave criminal cases is on the rise, there has been a high crime rate in some large and medium-sized cities and in towns along railroads and an increase in cases of murder and assault and battery resulting from civil disputes not properly handled.

#### Public Health Work Stressed

OWO61212 Beijing XINHUA in English 1135 GMT 6 Apr 87

[Tex.] Beijing, April 6 (XINHUA) — China should pay more attention to the prevention and study of AIDS which is spreading in other parts of the world, said Chen Musen, a deputy representing Taiwan Province.

On the one hand, he said, more work should be done in epidemic prevention and on the other hand more resources should be committed to the basic research of the disease.

This is among a number of suggestions about public health raised by NPC deputies at the ongoing Fifth NPC Session over the past few days.

Speeches by NPC deputies during their panel discussions revealed that while much progress has been made in China's public health work over the past few years, many problems remain to be solved. They included acute shortage of funds and medical personnel and the great waste brought about by the present free medicare system.

He Guiyi, a deputy from Sichuan Province, said the proportion of China's budgeted allocations for public health in total financial income is even less than that of the 1950s while the proportion of medical students has also been decreasing.

Qiu Fazhu, a deputy from Hubei, said that there are only seven doctors per 10,000 people in China and even fewer numbers of medical nurses. Because of the shortage of funds, some rural clinics do not even have the money to pay its own staff, he added.

Deputies also urged the government to pay more attention to medicare of women and children and to medical work in rural and other less developed areas. They also urged reforms of the present free medicare system which has caused much waste.

#### Deputies on Enterprises; Power

OW061058 Beijing XINHUA in English 1031 GMT 6 Apr 87

["Enterprises' Decision-Making Power Vital To Stepping Up Economic Reform: NPC Deputies" — XINHUA headline]

[Text] Beijing, April 6 (XINHUA) — Deputies to the on-going National People's Congress session voiced their suggestions about how to ensure that the enterprises enjoy real decision-making power, a move vital to intensifying the present economic reform in urban China.

During panel discussions at the current NPC session over the past week, deputies from all parts of the country expressed their agreement with Premier Zhao Ziyang's view that injecting a greater vitality into enterprises is the central link in the reform of China's economic structure and it should be made one of the central tasks for 1987.

The deputies all agreed that the enterprises have in general enjoyed greater decision-making power than before through the reform in recent years, but much is left to be desired as Premier Zhao said in his government work report to the congress. Some deputies said that enterprises, especially some large and medium-sized ones, have met difficulties in using their decision-making power.

Li Zhongyan from Tianjin said that the delegation of power to enterprises has been talked about for a number of years but still the enterprises have not been given the necessary power with regard to personnel, finance, raw materials, production, supply and marketing and export business. This has made managers and factory directors so inactive that they wait for instructions from the above in doing everything, lacking the initiative in market prediction and in making their products more responsive to market demand.

He said that the enterprises still have no power to dismiss workers who seriously violate factory operation rules, to decide on the wage scales of workers and to adjust the unreasonable prices for their own products.

While some deputies criticized the intermediate links in some localities and departments for holding up the decision-making power delegated to enterprises according to state regulations, other said that the workers have not been motivated enough to fully display their initiative.

Chen Lunfen from Beijing said that what has been achieved in the reform in urban areas was not as outstanding as that in rural areas. "The urban reform has enabled traffickers to get better-off overnight but not producers," he said. "some enterprises have even found that it is difficult to pay the workers their wages."



Zhao Xiu from northeast China's Jilin Province expressed the view that the real source of vitality for enterprises lies in how to get the labourers, both manual and mental, mobilized to fully display their wisdom and creativeness.

He said that the fact that his province has doubled the amount of grain delivered to the state over the the past few years was the result of the introduction of the responsibility system that ties the interests of the peasants to their performance. "But this is not the case in industrial enterprises," he said, adding "the workers want to know clear how much their enterprises should hand over to the state, how much their enterprises may retain and how much they themselves can get."

Deputies from Shanghai, Shaanxi and Beijing said that their enterprises, especially the existing old enterprises, are allowed to retain too little profits and depreciation funds to have their outdated equipment replaced.

HONG KONG PAPER CALLS NPC 'MORE IMPORTANT FORCE'

HK060458 Hong Kong SOUTH CHINA MORNING POST in English 6 Apr 87 p 7

[By Terry Cheng]

[Text] China's National People's Congress has started to shake off its rubber-stamp image to emerge as a more important force.

While Beijing generally welcomes the congress becoming a stronger part of the tripod of Parliament, government and the Communist party, it is also concerned that conservative leaders may use it as a power base to oppose reformists.

Nevertheless, the congress last year carried out fruitful work, according to some Chinese observers.

Eleven major pieces of legislation had been passed since last session, Mr Chen Pixian, a congress vice chairman, said yesterday in a work report of the body's Standing Committee to a full session.

Among them is the controversial bankruptcy law, which had been somewhat watered down before being approved. However, it has been delayed until the approval of the state industrial enterprise law.

The state enterprise law, similar to a company law, was scheduled for approval at this session, but was withheld by the Standing Committee a week before the session.

Analysts disagreed over the reasons for postponing the two pieces of legislation. Some said conservatives were blocking reforms; others that the time was not right.

In his report, Mr Chen said the Standing Committee agreed the bankruptcy law was necessary and that the responsibility system of factory directors was an important reform.

He explained, however, that Mr Peng Zhen, the Standing Committee chairman, decided to delay the approval of the bankruptcy law for a while after hearing dissenting views, which included complaints there was a lack of supporting laws.

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Another important move by the congress last year was to amend the election law and the local organisation law. The amendments enable election reform at county levels and equivalents in the urban areas. Approved in December (about the same time as the start of student protests) the amendments allow direct elections to people's congresses at county level.

The amendments also stipulate that the number of candidates for district, county and village people's congresses must exceed the number of posts from 30 to 100 per cent.

The new law says any political party, organisation or group of 10 individuals can nominate candidates for a preliminary list and candidates should not be determined by leaders of superior organs. Neither should voters be compelled to cast votes for certain candidates.

Mr Chen said the Standing Committee believed that the election of members for the next people's congresses should be held with considerations for political reform in mind.

The resolution on strengthening legal education and defending the stability and unity made in the wake of the student demonstrations was highlighted by Mr Chen in his report.

He said the rampant and free dissemination of bourgeois liberalisation, denial of the four cardinal principles and advocacy of "wholesale" Westernisation and the capitalist road ran contrary to the Chinese Constitution.

He said the resolution was to stabilize politics and ensure China's opening to the outside world and the smooth flow of socialist modernisation.

The resolution has been interpreted by some as a tough line taken by conservatives, but others say it is only aimed at ensuring law and order.

Mr Chen said the Standing Committee had done a lot of work to supervise the implementation of the Constitution and laws.

#### CPPCC MEMBERS DISCUSS MANY ISSUES AT 4TH MEETING

OWO60137 Beijing XINHUA Domestic Service in Chinese 1405 GMT 4 Apr 87

[Excerpts] Beijing, 4 Apr (XINHUA) -- At the Fourth Meeting of the Fifth Session of the Sixth CPPCC National Committee held this afternoon, Chen Guanghui and other CPPCC members expressed their views on CPPCC functions, on upholding the four cardinal principles and opposing bourgeois liberalization; on the tasks of democratic parties and groups; on effectively solving the problems uncovered in the medical profession; on strictly implementing the Mineral Resources Law; on protecting China's forest resources; and on increasing production, practicing economy, increasing revenues, and retrenching expenditures.

Committee member Chen Guanghui said: Since its founding in 1949, the CPPCC has successfully carried out its work along a glorious path under CPC leadership and the outstanding guidance of its chairmen -- the older generation of proletarian revolutionaries, Comrades Mao Zedong, Zhou Enlai, Deng Xiaoping, and Deng Yingchao.

He made the following suggestions: 1) Party committees at all levels should list CPPCC work as an important item on their agenda and regularly hold discussions with democratic parties and groups as well as nonpartisan personages; 2) the CPPCC Standing Committee should hold meetings quarterly so that leaders of party committees and governments or departments concerned can exchange views and consult with the CPPCC and democratic parties and groups on important issues of the localities; and 3) the CPPCC should be consulted on major issues such as important principles and policies that affect the localities; formulation of economic and social development strategies; and decisions on economic reform urban planning and construction, livelihood of the masses, as well as important personnel changes, and it should ensure that consultations are always held before policy decisions are made.

Committee member Chen Shunli said: Achieving long-term order and stability is the common desire of the people of all nationalities throughout China, and democratic parties and groups are duty-bound to achieve this. Some time ago the CPC Central Committee reiterated the need to uphold the four cardinal principles and oppose bourgeois liberalization. Comrades of the China Association for Promoting Democracy have done some work in this regard. [Passage omitted] Chen Shunli said: We should earnestly learn the positive education of the four cardinal principles; enhance consciousness of upholding the four cardinal principles; take a clear-cut stand in popularizing the four cardinal principles; and educate the many young people to exert themselves and become new-type persons who have lofty ideals and are educated, morally good, and disciplined. [passage omitted]

In their joint speech, committee members Cheng Yuqi, Yue Xisin, Song Shuhe, Tan Zhenxiong, Sun Dianqing, and Liao Minhuan noted the need to earnestly and strictly implement the Mineral Resources Law. The joint speech said: In the past 30 years and more, China has made big progress in mining. It has established more than 6,000 state-run mines at and above the county level, and more than 120,000 mines are run by collectives and individuals in villages and towns. However, mineral resources have yet to be fully developed and utilized, and devastation and serious waste of mineral resources still exist. [passage omitted] The joint speech hoped that people's governments and judicial departments at all levels as well as departments in charge will strictly enforce the law; concentrate on handling big and important cases of destroying, wasting, and inciting mass plunder of mineral resources; and deal severe blows at these illegal and criminal activities. Meanwhile, departments concerned should vigorously encourage and oversee the comprehensive development and utilization of mineral resources.

In his speech containing proposals on protecting and expanding China's forests, committee member Zhao Congli said: Although the Forestry Law was promulgated long ago, indiscriminate and excessive felling of trees is still not effectively controlled and forest fires are still frequently reported. Therefore, we would like to make the following appeal and proposals: To develop forestry, it is necessary to switch from the proposals: To develop forestry, it is necessary to switch from the previous guiding thought that logging is dictated by needs to the guiding thought that protection and planting of forests should be given priority; discard the idea of digging and planting trees simply for the sake of future logging; foster the concept of managing an ecological system made up primarily of trees; and use artificial ecology engineering to facilitate a sound regeneration of energy and materials. Meanwhile, indiscriminate felling should be completely banned and attention should be paid to transforming secondary forests. [passage omitted]



## Reports on Taiwan Criticized

HK031124 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1215 GMT 2 Apr 87

[Report by Zhao Yuanguang (6392 6678 0342): "Chung Chun-nan Says He Hopes the CPC Will Attach More Importance to the Aspirations of the Taiwan People"]

[Text] 2 Apr (ZHONGGUO TONGXUN SHE) — Chung Chun-nan, who was recently elected as an additional member of the national CPPCC, has pointed out that at present the CPC's policy toward Taiwan mainly places hopes on the Taiwan authorities. He hopes the CPC will attach greater importance to the aspirations of the Taiwan people.

Chung Chun-nan, over 40 years old, is a former member of the "National Assembly" of Taiwan. He has a sonorous voice and is a good talker. When speaking of the Taiwan issue, he spoke on and on in a flow of eloquence.

In an exclusive interview with this reporter today at the Jingfeng Hotel, where he is staying, Chung Chun-nan pointed out: At present there are some deviations in the reporting of the situation in Taiwan by newspapers in Mainland China. In the 1950's and 1960's, they covered the dark side of things alone in Taiwan, but they have gone from one extreme to the other. As a result, some people on the mainland know only that Taiwan's economy is more prosperous than that on the mainland, and they have no knowledge of the political darkness in Taiwan. How could Taiwan, where the most backward, predatory bureaucratic capitalism is practiced, be more flourishing than the socialist mainland? Thus people cannot help but come to the conclusion that capitalism is superior to socialism. Chung Chun-nan believes that the problem of blindly looking forward to capitalism among some young students, which was exposed during the recent "student unrest," has resulted from the CPC's one-sided news reports about Taiwan and even about the whole outside world.

Chung Chun-nan was a bit excited and said that in the past year and more since he settled on the mainland, he has been asked by not a few people why he came from a fairly developed Taiwan to a relatively backward mainland. This question caused him not to know whether to laugh or cry, as if he had come from heaven to the world of men. These people do not know at all that today's prosperity in Taiwan is attributable to many historical and geographical factors. Proceeding from its global strategy, the United States has given economic and military aid to Taiwan for a long time. This has played a big role, and we must not give all the credit to the KMT authorities in Taiwan. Some economic experts in Taiwan believe that if Taiwan were not under KMT rule, its economy would have been more prosperous.

Chung Chun-nan said that he would air all his views on the CPC's policy toward Taiwan and news reports about Taiwan at the CPPCC's group discussions, and that he registered to take the floor at the plenary session. He hopes the aforementioned problems will be directly conveyed to CPC's top leaders.

Chung Chun-nan resolutely resigned as a member of the "National Assembly" of Taiwan only because it cannot plead on the people's behalf. So, in his eyes, what kind of organization or institution is the CPPCC?

Chung Chun-nan was elected as an additional member of the national CPPCC not long ago, but his views on the organization are not superficial.

He said that the CPPCC does not have the authority the NPC has, but its level of political discussion is not lower than that of the NPC because the CPPCC gathers outstanding personages of different trades and professions. In terms of the role played by the CPPCC, Chung Chun-nan said, this depends on whether the leaders of the CPC attach much importance to the suggestions put forward by the CPPCC members. If they do, the CPPCC can play an important role.

Chung Chun-nan is very happy to see the democratic atmosphere prevailing at the current CPPCC session and he has been greatly encouraged by this atmosphere. He said that since the session opened, all members have spoken their minds freely at both plenary session and group discussions, repeating old criticisms and putting forward a number of suggestions on the CPC's principles and policies, and the CPC's leaders have also valued the current national CPPCC session very much and displayed their sincerity.

Chung Chun-nan said that he will continue to study the Taiwan issue and hopes to acquire a good understanding of the situation in mainland China so that he will be able to do his part in the CPPCC for the prosperity and reunification of the country.

#### Members Hail Macao Policy

OW031058 Beijing XINHUA in English 1038 GMT 3 Apr 87

[Text] Beijing, April 3 (XINHUA) -- Members of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) hail the settlement of the Macao issue as a victory for the "one country, two systems" concept put forward by Deng Xiaoping four years ago.

At the second plenary meeting of the current session of the Sixth CPPCC National Committee here this mornig, Chen Suiheng of the China Democratic National Construction Association described the settlement of the macao issue as "an epoch-making victory" and a victory for the correct policies of the Chinese Communist Party and the "one country, two systems" concept for the reunification of the country.

He told his fellow CPPCC National Committee members that the settlement of the Hong Kong and Macao issues according to the formula of "one country, two systems" has boosted the confidence in the effort for the return of Taiwan to the motherland.

He called on the Taiwan authorities to set the national interests and the aspirations of the people on both sides of the Taiwan Straits above everything else and do their part in realizing the great cause of the reunification of China.

Zhang Chunnan, who returned from Taiwan not long ago, said that "one country, two systems" is a brilliant concept based on the difference in the historical context and living conditions between Taiwan island and the mainland over the past century, and the overwhelming majority of the people in Taiwan support this idea.

"It will be conducive to both the mainland and Taiwan when Taiwan people are allowed to decide on their own what system to adopt according to the principle of democracy after the reunification is realized," he said.

At this morning's meeting, eight CPPCC National Committee members spoke, and written speeches of 12 other members were distributed. The speeches touched upon improvement of educational work in institutes of higher learning, adherence to the four cardinal principles (socialist road, people's democratic dictatorship, party leadership and Marxism-Leninism and Mao Zedong Thought), the Yangtze Gorges project and the institution of the leasing and shareholding systems in enterprises.

Hong Qikun called the attention of the education of students, especially those in universities and colleges. [sentence as received]

Xu Shihe proposed the introduction of the leasing and shareholding systems in all large and medium-sized enterprises while Guan Mengjue deemed it inappropriate for state enterprises to introduce such systems.

On the implementation of the law for regional autonomy, Wang Lianfang said that the special policies and flexible measures allowed for open coastal cities may be tried out in autonomous regions and prefectures in their effort to develop the local economy.

#### KMT, Mainland Coast Discussed

HK040614 Hong Kong SOUTH CHINA MORNING POST in English 4 Apr 87 p 8

[Text] The handing over of several coastal provinces in China to the Kuomintang in Taiwan was advocated by some people during recent student protests on the mainland.

This was disclosed by Mr Chung Chun-nan, a former member of Taiwan's National Assembly, addressing the National Committee of the Chinese People's Political Consultative Conference yesterday.

He hit out at reports about Taiwan by the mainland press, which he said had contributed to the public's wrong perception of conditions in Taiwan. He said many of the reports quoted directly or indirectly the media controlled by the Kuomintang (KMT).

The KMT's tyrannical rule and opposition by the people had not been faithfully reported by the mainland press, he said.

"Taiwan is the frontline of capitalism to the mainland.

The distorted reports have made people believe capitalism is better than socialism," he said. He added that this was a major cause of the student demonstrations.

A "one country, two system" plan was a great idea for Taiwan's reunification with the mainland, he said. However if the plan was to ensure the KMT's rule in Taiwan after reunification, it would not be accepted by many Taiwanese.

He called on Beijing to place emphasis on the Taiwan people rather than the KMT.

"Taiwan people are willing to co-operate with the mainland. It is hoped that the mainland policy can be adjusted," he said.



## Standing Committee Convenes

OWO61252 Beijing XINHUA in English 1243 GMT 6 Apr 87

[Text] Beijing, April 6 (XINHUA) -- A draft list of candidates for additional vice-chairmen and Standing Committee members of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) was adopted at the 15th meeting of the Standing Committee of the Sixth CPPCC National Committee here today.

The meeting decided to submit the list for approval to the plenary meeting of the ongoing annual session of the Sixth CPPCC National Committee, China's think tank.

The list was the result of repeated consultations and discussions among the national committee members at panel meetings and got the support of most members, said Zhou Shaojing, secretary-general of the CPPCC National Committee.

At today's meeting, Zhou also reported on the panel discussions of the CPPCC National Committee members. He said that many members have voiced sharp criticisms of the errors in work and of the unhealthy tendencies and at the same time they put forward many constructive proposals and suggestions with regard to economic development and other work. The discussions were full of an atmosphere of democracy, unity, harmony and liveliness, he said.

Today's meeting also adopted three draft resolutions, namely, the draft political resolution of the Fifth Session of the Sixth CPPCC National Committee, the draft resolution on the report on the work of the Standing Committee of the CPPCC National Committee, and the draft report by the CPPCC Bills Committee on the examination of the bills submitted at the 1986 CPPCC session. The resolutions and the report will be revised according to the comments made by the CPPCC National Committee members before being submitted to the plenary session for approval.

Today's meeting was presided over by Yang Jingren, vice-chairman of the CPPCC National Committee.

NPC, CPPCC DELEGATES HOLD JOINT ACTIVITIES

## Minorities Attend Tea Party

OWO60339 Beijing XINHUA Domestic Service in Chinese 1545 GMT 4 Apr 87

[Excerpts] Beijing, 4 Apr (XINHUA) -- Deputies and members of 50 minority nationalities who came to Beijing from frontier and mountainous areas to attend the NPC and CPPCC National Committee sessions spent a lovely evening today with party and state leaders. The tea party, sponsored by the United Front Work Department of the CPC Central Committee and the NPC Nationalities Committee, was held in the banquet room of the Great Hall of the People.

At 1900 when Zhao Ziyang, acting general secretary of the CPC Central Committee and premier of the State Council; Ulanhu, vice president of the state; and other leaders walked into the room amid music, Vice Chairman Banqen Erdini Goigyi Gyancan asked Zhao Ziyang and the other comrades to walk before him in the customary manner.

However, Zhao Ziyang politely insisted on having Vice Chairmen Ngapoi Ngawang Jigme and Banqen Erdini — hosts of the tea party — "take the lead." They were followed by Xi Zhongxun, Tian Jiyun, Qiao Shi, Chen Pixian, Peng Chong, Liu Lantao, and Wang Enmao. Ngapoi Ngawang Jigme, vice chairman of the NPC Standing Committee and chairman of the NPC Nationalities Committee; Yan Mingfu, head of the United Front Work Department of the CPC Central Committee; and Ismail Amat, minister of the State Nationalities Affairs Commission, spoke at the tea party.

Ngapoi Ngawang Jigme said that the Fifth Session of the Sixth NPC and the Fifth Session of the Sixth CPPCC National Committee are being held in a situation where China's excellent economic and political conditions have further developed. [passage omitted] The situation since the 3d Plenary Session of the 11th CPC Central Committee has proved that upholding the four cardinal principles and adhering to the policies of reform, opening to the outside world, and invigorating the economy are the fundamental guarantees for our efforts to build a strong, modernized socialist country. They are also basic guarantees for the further consolidation and development of our country's socialist relations among various nationalities on the basis of equality, fraternal love, and mutual assistance and for the further realization of the great goal of joint development and prosperity. [passage omitted]

In his speech, Yan Mingfu said that in recent years nationality affairs work has flourished just like the good situation of the entire nation. The party Central Committee attaches great importance to and shows great concern for the people of minority nationalities. To develop and improve minority nationality conditions, to promote unity among various nationalities, and to gradually realize joint prosperity of various nationalities are strategic objectives which are related to the fate of our country. [passage omitted]

Since the beginning of opposing bourgeois liberalization, some comrades and friends have been worried whether there would be any change in party policies regarding united front work, nationality affairs, and religion. On this question, Comrade Zhao Ziyang clearly pointed out in his speech at the 14th Standing Committee meeting of the 6th CPPCC National Committee that there is no need to change, and there should be no change in, various policies related to united front work and nationality affairs. The established policies for nationality affairs and religion must not change whatsoever and should continue to be implemented. We believe that under the correct guidance of the nationalities policy of the party Central Committee, our country's socialist relationship among various nationalities will further develop, greater unity among various nationalities will further strengthen, and the work on nationality affairs will further improve. [passage omitted]

Ismail Amat said: Practice in the past 8 years has proved that guiding principles and policies formulated by the party Central Committee, the NPC, and the State Council for nationality affairs and the series of measures adopted have reflected the basic interests of the people of various nationalities and are in accord with the actual situation of minority people and areas. As a result, nationality affairs work has been promptly improved and is developing. Mutual assistance on the basis of equality and close unity among the various nationalities of the country have been further strengthened. Economic and cultural work in minority nationality areas is rapidly developing. The entire nationalities work is now in the best period since the founding of new China. By continuing this correct path, we will be able to ensure healthy and steady development of our country's nationalities work. [passage omitted]

Some 600 deputies and representatives of minority people and deputies and representatives who have worked many years in minority nationality areas, totaling more than 1,600 people, attended this evening's tea party. [passage omitted]



LIAOWANG REAFFIRMS STEADFASTNESS OF CPC POLICIES

HK031000 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 13, 30 Mar 87 pp 4-6

[Article by staff reporter: "Will the CPC's Policy Change?"]

[Text] Since the mainland began a struggle against bourgeois liberalization and the CPC Central Committee made individual personnel adjustments, there has been much speculation overseas on the mainland's policies and in particular on whether the CPC's policies will change following the stand it has taken toward the student movement. The writer opines that the political situation on the mainland has remained stable despite the fact that the mainland has met with some "troubles" in the political arena, such as students taking to the streets and Hu Yaobang resigning from the post of general secretary of the CPC Central Committee. These "troubles" will not affect the principles, policies, and line drawn up since the 3d Plenary Session of the 11th CPC Central Committee. To have a clearer understanding of this problem it is necessary to know more about the policies drawn up since the 3d Plenary Session of the 11th CPC Central Committee, about whether the struggle against bourgeois liberalization indicates a turn, and about the policies currently being implemented.

The Basic Contents of the Policies Drawn Up Since the 3d Plenary Session of the 11th CPC Central Committee and Their Unalterability [subhead]

In 1978 the 3d Plenary Session of the 11th CPC Central Committee marked a genuine, historical change in the CPC's policies. This session rectified the policies that were not suited to the specific conditions of China, that led to the 10 years of turmoil during the "Cultural Revolution," and that focused on class struggle. It decided to "shift the work focus of the entire party and the attention of the people throughout the country to socialist modernization." The session also proposed the tasks to modernize agriculture, and national defense, and to modernize science and technology, as well as the problems concerning economic structural reform, to implement economic cooperation with foreign countries, and to open up to the world.

What merits attention is that the principles and policies of the 3d Plenary Session were worked out by summarizing both the positive and negative experiences of the Communist Party in exercising its leadership for almost 30 years. The principles and policies entirely correspond to the people's desire to have a peaceful and stable political environment in which efforts can be concentrated on production, improving their livelihood, and on turning China into a powerful country that ranks in the forefront of developed countries in the world. They also tally with the historical needs of China's construction and development. Therefore, the principles and policies drawn up by the third plenary session have brought into play the initiative and enthusiasm of the people. Practice over the last 8 years has enriched and developed the principles and policies drawn up by the third plenary session. A series of detailed policies and measures for implementing the four modernizations, reforms, and the work of opening up to the world have been worked out and put into effect. Over the last 8 years, as a result of implementing the principles and policies drawn up by the third plenary session, our economy and culture have developed rapidly, GNP has increased by 100 percent, state revenues have risen by almost 100 percent, the state's economic strength has been increasing, and the people's standard of living has continued to improve. These principles and policies are unalterable because they have been worked out by summarizing many years of experiences and lessons, developed in practice and produced effective results, are supported by the people, and coincide with the development of history. Whoever holds power in the Communist Party must exercise these principles and policies if he wants to do something good for the people.

Opposing "Liberalization" Has Been the Consistent Stand of the CPC; the Purpose Is To Implement the Policy of Reform and Opening Up to the World [subhead]

The struggle against bourgeois liberalization currently launched by the CPC does not suggest a change in its policies. It has been a component of the policies drawn up since the third plenary session.

The core of bourgeois liberalization opposes the Communist Party leadership and the socialist road. What the communique of the 3d Plenary Session of the 11th CPC Central Committee stressed in "carrying out socialist modernization" and not capitalist or any other type of modernization. The communique also pointed out that "it is impermissible to harm the stable and united political situation necessary for socialist modernization." Deng Xiaoping has reiterated this point on many occasions. In 1979, when proposing the four cardinal principles of adhering to the socialist road, dictatorship proletariat, Communist Party leadership, and Marxism-Leninism-Mao Zedong Thought, he pointed out the need to criticize the ideological trend that casts doubts on and opposes these four cardinal principles. In a "talk on the problems on the ideological front" in July 1981, he pointed out: "The core of bourgeois liberalization opposes the leadership of the party. Without the leadership of the party the socialist system could not have existed." "Without the leadership of the Communist Party there will surely be great disorder and disintegration under heaven." "In dealing with these problems we should not follow the beaten track or launch a political movement; instead we should use the weapon of criticism." In 1981 the CPC's "decision on the principles for carrying out propaganda in the press and news broadcasts" further stressed: "Trends trying to weaken, deviate from, or abolish the leadership of the party must be dealt with according to the merits of each case and subject to open or internal criticism, education, or even severe reprimand if necessary."

Therefore, opposing "liberalization" has become a component of the policies drawn up since the 3d Plenary Session of the 11th CPC Central Committee. It can be said that the CPC had already laid down the principles of adhering to Communist Party leadership, persisting in the socialist road, and opposing bourgeois liberalization since the formulation and implementation of the policy of reforms, opening up to the world, and invigorating the domestic economy. As a result of persisting in these principles over last 8 years people have witnessed the consolidation and development of a stable and united political situation, as well as marked achievements in reforms and the work of opening up to the world and invigorating the domestic economy. It was precisely during this period that some Communist Party members advocated bourgeois liberalization and others conceded to or tolerated the ideological trend of bourgeois liberalization. As a result, a small number of students took to the streets at the end of last year, thereby affecting reforms and the work of opening up to the world. Therefore, the purpose of the current struggle against bourgeois liberalization to spread unchecked, and to correctly implement the policies drawn up since the third plenary session. The purpose is not to change the policies.

The students' movement has now calmed down and the ideological trend of "liberalization" is beginning to subside. But why will the struggle against "liberalization" still enjoys support among certain people although the students who took part in the demonstrations last year hardly accounted for 1 percent of the total. In addition, being a developing country China has to make protracted, arduous efforts to catch up with advanced world levels. During the period in which China is behind advanced world levels and the socialist system has not fully demonstrated its strong points, there are sure to be people who doubt the correctness of Communist Party leadership and the socialist road. [paragraph continues]

But igniting nationwide debates over the cardinal principles concerning Communist Party leadership and the socialist road, which have been advocated through almost 100 years of struggle and laid down in the Constitution, will certainly lead to great disorder under heaven. If this is allowed to happen, reforms, the work of opening up to the world, and the four modernizations would come to a standstill and the country would continue to remain backward. Therefore, the struggle against "liberalization" should be carried out throughout the entire process of reforms, opening up to the world, and invigorating the domestic economy. This corresponds with the peoples' wish to wholeheartedly carry out reforms and the "four modernizations" in a stable and united situation. The last student movement indicated that over 99 percent of the people detest unrest. Therefore, on behalf of the people, the Communist Party must take a clear-cut stand in opposing "liberalization" and preventing any social unrest from hampering socialist modernization.

The word "struggle" in the "struggle against bourgeois liberalization" may possibly cause misgivings among people overseas. Is it the recurrence of what was practiced during the "Cultural Revolution"? Will some people ransack others' homes, parade these people through the streets with dunce hats, and repudiate them at open mass meetings? In fact, the current struggle is entirely different from the one launched during the "Cultural Revolution." It has been made clear that no political movement will be carried out, that the struggle will be restricted to within the party, and that education by positive examples will be given. The CPC Central Committee has also drawn clear demarcations in applying policies so that attention is paid to preventing the struggle from being related to economic structural reform, rural policies, scientific and technological research, explorations in styles in literature and art, as well as the daily life of the people. Generally speaking this struggle is a type of education carried out within the party concerning how to uphold the four cardinal principles and how to correctly understand and implement the principles, policies, and line drawn up since the 3d Plenary Session of the 11th CPC Central Committee.

Making Further Efforts To Do a Good Job in Reforms, Opening Up to the World, and Construction [subhead]

The purpose of opposing "liberalization" is to create a better political and social environment for reforms, the work of opening up to the world, and construction.

Deng Xiaoping recently announced to a group of foreign friends that the four cardinal principles will remain unchanged, the determination to carry out the four socialist modernizations will remain unchanged, the policy of opening up to the world will remain unchanged, persistence in economic structural reform and political structural reform will remain unchanged, and efforts will continue to be devoted to making the average age of leaders younger.

Zhao Ziyang, acting general secretary of the CPC Central Committee and premier of the State Council, recently stressed that as economic structural reform enters the stage of overall development, there are many, many things to attend to and close attention should be paid to reforms and construction in the course of opposing bourgeois liberalization.

As reported, the State Council has decided to fulfill the following tasks in economic structural reform this year. [paragraph continues]



It will increase the vitality of enterprises, check the implementation of enterprises' autonomy, implement the factory director responsibility system, and explore detailed methods to separate ownership from operational rights, such as the contract system, the lease system, and the operational responsibility system; it will strengthen lateral economic ties and form enterprises groups in which competition is encouraged and scientific research units participate; in financial system reforms, it will strengthen the role of the central bank in exercising macroeconomic control and make it possible for special banks to be run like enterprises; it will expand the market of the means of production and change the past practice of the state distributing and allocating the means of production; and it will further reform the labor and wage systems. These reforms are the rational continuation and development of the reforms carried out over the past years.

On opening up to the world, Zhao Ziyang emphatically pointed out that it is necessary to open up wider to the world. Open provinces and cities in all parts of the country have, in recent months, worked out detailed policies and measures to improve their environments for foreign investments, and a large number of foreign businessmen keep coming to China to discuss business, sign agreements, or make investments.

Deng Xiaoping recently declared that the CPC will propose a plan on political structural reform at the 13th congress in the coming autumn. Zhao Ziyang recently said that it is impermissible to use "opposing liberalization" as a pretext to suppress democracy. On the contrary, further efforts should be made to dredge the channels of social dialogue, to improve the people's democratic life, and to gradually establish socialist democratic politics in an orderly and effective manner.

Creating an Atmosphere of Democracy, Unity, Harmony, and Liveliness To Better Implement the Policy on Intellectuals and the "Double Hundred" Policy [subhead]

Some people overseas say that "opposing liberalization" is cracking down on intellectuals. This is a misunderstanding.

Intellectuals on the mainland have acquired their present position due to the conscientious implementation of the policy on intellectuals since the 3d Plenary Session of the 11th CPC Central Committee. Unprecedented enhancement has been witnessed in the position of intellectuals, so has a marked improvement in their living and working conditions. They have a good understanding of modern Chinese history and at the same time are aware that without Communist Party leadership, the nation would disintegrate and that without socialism, China would never grow strong. Therefore, opposing "liberalization" precisely expresses the hope of intellectuals. The expulsion from the party of some intellectual party members who advocated "liberalization" and thus violated party discipline is entirely different from cracking down on intellectuals.

Zhao Ziyang emphatically pointed out at a recent national CPPCC conference that it is necessary to respect intellectuals and talented people and to implement the policy of "letting a hundred flowers blossom and a hundred schools of thought contend" and that this is a principle that has been laid down by the party and should be adhered to for a long time to come. Zhao Ziyang said that we should make efforts to create an atmosphere of democracy, unity, harmony, and liveliness for everyone to work hard in.



The "Circular of the CPC Central Committee on Certain Questions Concerning Opposing Bourgeois Liberalization in the Present Period" issued on 28 January this year points out that it is necessary to persist in the policy of "letting a hundred flowers blossom and a hundred schools of thought contend" and to encourage and assist theoretical workers in applying the basic theory of Marxism to explorations and studies of the new situation, new experiences, and new problems in the course of socialist modernization, reforms, and opening up to the world. The "circular" further stresses that in this regard no one should be afraid to make mistakes, and once mistakes occur, they should be corrected. Making mistakes is permissible but it is impermissible to brand those who make mistakes in the course of exploration.

On literary and art works the "circular" provides that literary works, films, and television series produced in the past will be retained, with the exception of those containing serious mistakes and producing very bad social effects, which must be properly handled by the central department concerned. Editorial departments, publishing houses, film studios, and theaters will be responsible for examining future literary and art works according to the policy of letting a hundred flowers blossom and a hundred schools of thought contend under the principle of serving the people and the socialist state. No fluctuation is allowed, either to the right nor to the "left" and there is no need to ask for instructions in everything one does since this will hamper the normal development of literature and art.

Zhao Ziyang recently declared that the principles and policies on the united front work need not and should not be changed. The policy of "one country, two systems" will not change. The multiparty cooperative system under the leadership of the Communist Party will not change. The policy of long-term coexistence, mutual supervision, sharing both good fortune and bad, and treating each other with sincerity between the Communist Party and various democratic parties will not change. And the policies on minority nationalities, religion, and Overseas Chinese will not change.

In conclusion, all the practical policies drawn up since the 3d Plenary Session of the 11th CPC Central Committee will remain unchanged. As Deng Xiaoping remarked, "Everything will proceed as usual."

#### CHENG MING VIEWS ZHAO ZIYANG VERSUS DENG LIQUN

HK060741 Hong Kong CHENG MING in Chinese No 114, 1 Apr 87 pp 6-9

["Notes on a Northern Journey" by Lo Ping (5012 0393): "Zhao Ziyang Versus Deng Liqun"]

[Text] [Abstract:] Since the appearance of an upsurge in the big campaign against bourgeois liberalization, there has been a sign of weakening. The factors responsible for the formation of this trend are rather complicated...

This is an arrangement by Zhao Ziyang: On the eve of the Fifth Session of the Sixth NPC, we must properly create a relaxed and harmonious atmosphere. The struggle against bourgeois liberalization should therefore be temporarily brought to an end. But Deng Liqun and his ilk do not agree. They accuse Zhao Ziyang of throwing cold water on the struggle against bourgeois liberalization in an attempt to end the fight in a rush. The acting general secretary adheres to his own view of keeping the campaign against bourgeois liberalization within its confines and limiting the scale of the struggle. Anti bourgeois diehards cannot immediately find a way out.

Deng Liqun and his right-hand man, Xu Weicheng, have drawn up a black list of those people to be dealt with....It is said that Deng Liqun is also prepared to organize a group of 40 or 50 people devoted to writing critical articles. The main targets of the current "cultural revolution" style "revolutionary mass criticism" are prominent "bourgeois liberalization" elements in various fields where ideological thinking is concerned.

The recent decision by the NPC Standing Committee, controlled by Peng Zhen, to hold up the examination of the enterprise law shows that big and small party adherents attempt to sacrifice mass interests in the industrial reform to those of a small group. It seems that it is more difficult for Zhao Ziyang to take up the challenge of the Shanxi faction represented by Peng Zhen than to cope with Deng Liqun. [end abstract]

#### Storm Signal No 10 Lowered [subhead]

Since the downfall of Hu, people interpreting various signs have made the following judgment: Storm Signal No 10 in Zhongnanhai has been lowered with the big campaign against bourgeois liberalization being scaled down.

-- Most of those in Hu Yaobang's faction have maintained their posts. Recently, except for the rumor that Minister of Public Security Jia Chunwang was likely to be fired, people have not been left with the impression that Hu Yaobang's downfall was being followed by the fall of his followers.

-- Hu Yaobang has taken a turn for the better in his illness. Though his state of mind is not in order, Deng Xiaoping has ordered that he be allowed to be properly exhibited, putting on an act for people at home and abroad. It has first been arranged for him to appear at the Fifth Session of the Sixth NPC as a member of the Presidium.

-- The Central Propaganda Department has ordered party newspapers and magazines to continue preaching the matter of opening up with no restraint, carrying out reforms with no change, and fighting bourgeois liberalization with no enlargement of the campaign. It was originally arranged for nothing to be said about political reform. Now the ban has been lifted, making people believe that they can look forward to a political reform.

-- RENMIN RIBAO's overseas edition and other newspapers have given Fang Lizhi and Guan Weiyan limited publicity. The important thing is that relevant departments have arranged for Fang and Guan to attend academic meetings and to give reports.

-- Wang Ruowang and his family had worried about being compelled to vacate their relatively well-located residence. They have now moved out of it. But they have been settled in quite an attractive house in Suzhou. Wang Ruowang is not reconciled to being relieved of party membership. (He said: "I am a party member. So is Deng Xiaoping. What qualifies him to dismiss me? Only the party group to which I am attached is qualified to do so.") But he is quite satisfied with his Suzhou house.

-- It was originally intended that Liu Binyan would be relieved of his post in the Writers' Association (as vice chairman). But this was not acted upon. Liu Binyan has canceled his appointments with many friends on the grounds of illness. But he is still participating in some Writers' Association activities.

-- Following the issuance of Documents Nos 1, 2 and 3 of the CPC Central Committee in launching the anti-bourgeois campaign, Document No 4, for "the CPC Central Committee's Notification on Some Problems in the Current Fight Against Bourgeois Liberalization" was released. It has defined and referred to the scope of struggle, its focus, its limits, and the methods to be used. This is to avoid enlarging the struggle. Compared with the thrust of the campaign at its outset, this can be interpreted as a sign of toning things down.

#### Factors Accounting for Toning Things Down in Handling the Struggle [subhead]

Things have actually been such: Since the appearance of two peaks in the big antibourgeois campaign with Fang, Wang and Liu expelled from the party and Hu Yaobang relieved of his post as general secretary, things have been scaled down. Despite the case of Liu Xinwu being made to temporarily leave his job and subjected to investigation, there has been no change in the general trend of things having peaked out. Factors responsible for the formation of this trend are rather complicated.

-- The student movement touching off the antibourgeois campaign has been suppressed, with Deng Xiaoping and the Communist Party heaving a sigh of relief.

-- An important aim of the conservatives has been attained: Hu Yaobang, who was not brought down in the antipollution campaign, has been toppled this time around.

-- Conservatives, the party represented by old people and military leaders have seized and consolidated powers of many kinds and positions of influence. They have also obtained capital to boost the results of war. People inside and outside the party have expressed confusion over and dissatisfaction with the campaign to bring Hu down. Some provincial and municipal party committees (especially advisory committees) asked: What power did the Central Advisory Commission have to fire the general secretary? How could a person who had taken the backseat bring down one on the first line? What qualified Bo Yibo to preside over the enlarged meeting of the Politburo? The central authorities failed to find explanations for these questions.

-- Deng Xiaoping has treated what Fang Lizhi, Wang Ruowang and Liu Binyan said as reactionary wording. But people think that the thinking and speeches of the three are correct. In criticizing Fang Lizhi, the Central Party School pointed out: His statement that young people should make it their ambition to change the color of the party was "reactionary wording." But the students said that given an unhealthy party style, there is the risk of the party being wiped out. What is wrong with an effort to change its color? This reflects people's state of mind and their opposition to the antibourgeois campaign.

-- People abroad have expressed indignation over Deng Xiaoping's dismissal of Hu Yaobang. Many Chinese and foreign scholars have issued statements or written open letters calling Deng Xiaoping to account. Great pressure has built up to stop the antibourgeois campaign.

-- What is especially important is the continuous drop in the foreign exchange reserves of the mainland of China (there is allegedly only 6 billion or so left). On the other hand, due to an unstable political situation and the antibourgeois campaign, investment figures accounted for by foreigners have dropped sharply. Many foreign businessmen have gotten cold feet. This exacerbates the mainland's ailing economy, causing Deng Xiaoping and others great worry.



I. 7 Apr 87

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CHINA  
PRC NATIONAL AFFAIRS

-- The development of the antibourgeois campaign has rendered more acute the contradictions among various groups and factions. Relationships between Zhao Ziyang, as an original reformist, and diehard Deng Liqun and his kind became suddenly strained. Zhao Ziyang stressed limiting the scope of struggle and suggested forbidding the use of "Cultural Revolution" -- style methods, language, and wording.

#### Zhao Ziyang Prevents Mass Criticism in the Style of the Cultural Revolution [subhead]

In the antibourgeois struggle, Deng Liqun was exactly like a full general. Leading the way in the forefront of the battle, charging forward, and jumping up and down. He and his righthand man Xu Weicheng -- director of the BEIJING RIBAO office -- drew up a blacklist of people to be dealt with. Even Yu Guangyuan was on the list because he issued a statement denying support for the viewpoint that privatization should be introduced with public ownership predominating. He was placed 13th on the blacklist. There is no need to speak of the advanced scholars and writers on the list.

It is said that Deng Liqun is prepared to organize a group of 40 or 50 people devoted to writing critical articles. This group is to work out of the State Council Guesthouse outside Xizhimen. The main targets of the current "cultural revolution" style of "revolutionary mass criticism" are prominent "bourgeois liberalization" elements in various fields where ideological thinking is concerned. For example, in theatrical circles, two people are to be accused by name. One is Lin Kehuan, involved with the business of writing at the Young People's Art Theater. Another is Wu Zuguang. The former is not a party member who cannot be criticized. Wu Zuguang is chiefly criticized for his work, "The Abolition of the 'Drama Examination System' is a Matter of Course" (published in YANGCHENG WAN BAO, 11 November 1986).

#### Protect Wu Zuguang and Let Wang Meng Stay On [subhead]

When the State Council guesthouse was to "entertain" a large group of scholars under Deng Liqun, Zhao Ziyang received a report. He immediately made known his attitude: "Now this can never be done." He also disbanded the writing group.

This is a case of Zhao Ziyang resisting Deng Liqun's effort to enlarge the struggle.

Perhaps, Zhao Ziyang was not particularly fond of Wu Zuguang. But objectively, he gave Wu Zuguang protection.

A cadre of the Ministry of Culture secretly told this reporter: In the heat of the antibourgeois campaign, Minister Wang Meng once talked about his resignation. On learning this, those under him were also quick to make preparations for quitting. When the news reached Zhao Ziyang, Zhao immediately asked them to drop the idea and also hinted that he was considering letting Wang Meng shoulder more of a burden (along with being minister of culture).

This is an arrangement by Zhao Ziyang: On the eve of the Fifth Session of the Sixth NPC, a relaxed and harmonious atmosphere must be created. The antibourgeois struggle should be temporarily (repeat temporarily) brought to an end. But Deng Liqun and his kind showed disagreement. They even accused Zhao Ziyang of throwing cold water on the antibourgeois struggle in an attempt to end the fight against bourgeois liberalization in a rush. [paragraph continues]



The acting general secretary adhered to his own view keeping the antibourgeois campaign within its confines and limiting the scale of the struggle. Antibourgeois diehards could not immediately find a way out.

#### Deng Zhen's Challenge and the Restoration of Party Committee Power [subhead]

The challenge facing Zhao Ziyang came not only from Deng Liqun, Hu Qiaomu and company but also from the Shanxi faction represented by Deng Zhen. The conference of the chairmen of the NPC Standing Committee, controlled by Peng Zhen, decided several months ago to withhold the "Bankruptcy Law" designed to smash the big rice pot. Later, thanks to Shao Ziyang's insistence, it was approved at a conference of the NPC Standing Committee. But it was only to be "introduced on an experimental basis." It was also stipulated that it be "introduced experimentally on an overall basis" only 3 months after the approval of the "Law Concerning Industrial Enterprises Under the System of Ownership by All the People" (briefly called the Enterprise Law). Recently, like the Bankruptcy Law, the Enterprise Law that gives the factory manager responsibility system legal validity was also shelved at the conference of chairmen of the NPC Standing Committee. It was decided to "temporarily postpone examination." This was another blow from Peng Zhen and others to the industrial reform. Zhao Ziyang's idea was that an important measure to reform the industrial enterprises called for factory managers well-versed in the field to assume the responsibility for the operation of enterprises and exercise the power of controlling enterprise production. The enterprise party committee secretaries originally involved with everything ("taking charge of everything") were to be chiefly responsible for ideological and political work and play a supervisory role. This was originally a key to the stimulation of enterprise production. But this would deprive party committee secretaries of some of their powers. This was of course unacceptable to power-hungry bureaucrats. The postponed consideration of the Enterprise Law at the conference of the chairmen of the NPC Standing Committee showed that big and small party adherents are attempting to sacrifice mass interests in the industrial reform to those of a small group. Information from all quarters tells us that at present, the party committees of many factories just cannot wait to grab hold of administrative power and the power to take charge of personnel. They want to restore the enterprise system, enabling the party committee to take charge of everything, a system which was taken for granted in the past. Many factory managers have actually been left out in the cold. Such being the case, enterprise production will inevitably drop and the industrial reform will unavoidably stagnate.

It seems that it is more difficult for Zhao Ziyang to meet the challenge of Peng Zhen than to cope with Deng Liqun.

#### On Which Side Does Zhao Ziyang Stand? [subhead]

Many Beijing people are discussing this question: What is, after all, the faction to which Zhao Ziyang now belongs?

If he is described as a reformist, then he has cried almost every day: "Fight bourgeois liberalization." This is a far cry from the period of the campaign to "get rid of spiritual pollution," when he was tightmouthed. If he, as is claimed, has made a turnabout, then he has again stood up to certain diehard conservative old guys, letting himself play the role of a fireman in preventing the spread of the sizzling flames of the antibourgeois campaign. A veteran cadre said to me: Zhao Ziyang is at present living amidst contradictions. His confrontation with Deng Liqun and his kind is promoted by the upholding of his own authority and his own interests. Wu Jinglian, an important member of his brain trust, reminded him of the need to look squarely at financial and economic matters and the tough problems facing the economic reform. [paragraph continues]

Interference from Peng Zhen, Deng Liqun, and their kind meant adding fuel to the flames. Zhao Ziyang, of course, could not stand it.

But can Zhao Ziyang overcome all obstacles standing in the way?

It seems that there is only one way out in a dark tunnel. It is to persist in reform and uphold the stand of a reformist and to even go one better than the former Zhao Ziyang. Of course, this smacks of one struggle after another against the forces represented by diehard conservatives.

Due to failure to win an absolutely dominant position in the current power struggle, and especially due to being increasingly unpopular among the people, those diehards bent on making a spectacular event of the antibourgeois campaign have been compelled to scale things down a bit in the campaign. But with their cherished ambition to seize overall power to control the party, the government and the military, they will absolutely not be reconciled to calling it quits.

Deng Xiaoping's 12-Word "Vow" in Document No 2 [subhead]

Deng Xiaoping said: "I am in favor of no tolerance for liberalization of any kind." These 12 words indicating Deng Xiaoping's vow to oppose all kinds of freedom incorporated in Document No 2 of the CPC Central Committee have become an ace in the hands of diehards. Actually, not only is struggle going on but enlargement has not been completely stopped.

The restoration of party committee power in industrial and mining enterprises is also an indication of struggle extending to the economic area.

Accounts after autumn are being settled with the organizers of the student movement at the end of last year.

Summaries of what Fang Lizhi, Wang Ruowang and Liu Binyan said have been distributed to all basic-level party organizations, which are forced to criticize them.

Things like suspended publication of books and magazines, canceling copy, changing copy, and so forth have kept happening. Even Liu Xiaobo's article entitled, "My View of Qu Yuan" intended for publication in the January issue of DANODAI WENYI TANSUO [CONTEMPORARY LITERATURE AND ART EXPLORATION] was also dropped, as indicated by telltale signs in the cover.

Xu Weicheng, bent on making it as director of the Propaganda Department of the CPC Central Committee or as editor in chief of RENMIN RIBAO, said threateningly to people in publishing circles, the door will be shut on anyone who published Bo Yang's "Ugly Chinese."

A publishing house abroad invested all its money in the publication of Bao Yang's book. On learning of the prohibition of the work, its director fainted.

Pornography that once appeared in SHIJIE JINGJI DAO BAO, LILUN XINXI BAO [THEORY INFORMATION NEWSPAPER], and other newspapers has become stuff of the past. The names of those ideologically advanced writers have disappeared. In any party mouthpiece, it is difficult to find interesting articles on politics any longer.

**HONGQI an Example to Magazines Throughout the Country [subhead]**

There has been an increasing decline in the circulation of HONGQI magazine. But 72-year-old Editor Xiong Fu recently said gleefully in self-praise: "HONGQI has all along adhered to a fine tradition of the party in regard to newspaper and magazine work. It calls for being 'the vanguard of the people and the mouthpiece of the party.'" From this, it can be imagined that this group of ultra-leftist diehards represented by Xiong Fu and Deng Liqun has held up HONGQI as an example and wants to run newspaper and magazines throughout the country along the lines of HONGQI. An interesting problem is: Can they attain the aim of also putting on a HONGQI basis the publication SANYUE FENG [MARCH WING], edited by Deng Pufang?

In the heat of the antibourgeois campaign, SANYUE FENG, with its editorial style ideologically relatively liberalized, remained safe and sound. Who dared to get involved with this prince No 1? By comparison, the Wuhan magazine QINGNIAN LUNTAN [YOUTH FORUM], honored by Hu Yaobang son, Hu Deping, was not so lucky. It was said that it had been given quite a pounding.

**Deng Pufang Allegedly Said: The Oldster Is Mad [subhead]**

There is a piece of unconfirmed news:

After the big change that came over Zhongnanhai, someone said to Deng Pufang: "Try to reason with your father!" Deng Pufang answered: "He is mad."

I think that Little Deng may not have said so. But I believe that there must be a generation gap between Old Deng and Little Deng politically.

I hope that there is a generation gap politically between princes and old men of the Chinese Communist Party and between successors and those at the Advisory Committee level. It is especially hoped that a generation gap politically will turn into a political splitup.

But is this idealism?

**STATE COUNCIL PROMULGATES BOND REGULATIONS**

OW051337 Beijing XINHUA Domestic Service in Chinese 0846 GMT 4 Apr 87

[Text] Beijing, 4 Apr (XINHUA) -- Interim Regulations for the Control of Bonds Issued by Enterprises

(Promulgated by the State Council on 27 March 1987)

**Chapter I: General Provisions**

Article 1: These regulations are formulated in order to strengthen the control over bonds issued by enterprises, given guidance to the rational flow of funds, make effective use of idle capital in society, ensure the completion of the state's key construction projects and protect the legitimate rights and interests of all sectors concerned.



Article 2: The regulations are applicable to the bonds issued within China by state owned enterprises that have the status of a legal entity in the country.

Article 3: The issuance and purchase of enterprise bonds should be made with compensation and in line with the principle of voluntariness and mutual benefits.

The enterprises are not allowed to issue bonds in the form of apportionment.

Article 4: The People's Bank of China is the organ in charge of the issuance of enterprise bonds. An enterprise must obtain the approval of the People's Bank of China before it can issue any bond.

## Chapter II: Enterprise Bonds

Article 5: An enterprise bond is a negotiable security issued by an enterprises according to the legal procedure, which promises to repay capital with interest within a prescribed period.

Article 6: The following details should be clearly shown on the surface of the bond:

- (1) The name and address of the enterprise;
- (2) The denomination of the bond;
- (3) The nominal interest of the bond;
- (4) The time limit and form of capital repayment;
- (5) The form of interest payment;
- (6) The date of issuance and the serial number of the bond;
- (7) The mark of the official seal and signature of the legal representative of the enterprise; and
- (8) The serial number and date of the document of approval of the organ that examines and approves the issuance of the bond.

Article 7: The form of the surface of the bond must be approved by the People's Bank of China.

Article 8: A bond holder has the right to obtain interest and recover the capital, but has no right to interfere with the management of the enterprise.

Article 9: A bond holder assumes no responsibility over the management of the enterprise.

Article 10: The ownership of the bond may be transferred. A bond may be used as a security for a mortgage or inherited.



Article 11: When approved, an enterprise may issue, according to the characteristics of the investment and the supply and demand on the market, a bond to pay off interest and capital with its own products.

### Chapter III: Control Over Enterprise Bonds

Article 12: In coordination with the state planning, financial and other departments, the People's Bank of China may set the specific control figure for the amount of bonds to be issued in each year by various enterprises throughout the country, and notify the various provinces, autonomous regions, municipalities directly under the central government and cities with provincial-level economic decisionmaking authority for implementation.

Article 13: The People's Bank of China implements the system of exercising centralized control and of reviewing and approving applications at different levels in dealing with any enterprise that wants to issue bonds.

Article 14: In issuing any bond, the enterprise should make public the relevant regulations or procedures.

The regulations or procedures should include the following information. A brief report on the business and operation of the enterprise; the net worth of its assets; the reason for issuing the bond; a forecast of economic results; the total face value of the bond; the form in repaying capital with interest; the risks and responsibilities; and so on.

Article 15: The enterprise which requests approval to issue a bond, should submit the following official documents to the People's Bank of China or its branches:

- (1) An application for the issuance of an enterprise bond;
- (2) Business license;
- (3) Certifying document from the department in charge of the enterprise that it concurs with the issuance of the bond by the enterprise;
- (4) Document from the planning department in approval of the investment in fixed assets;
- (5) The regulations or procedures for the issuance of the enterprise bond;
- (6) The financial and accounting statements of the enterprise for the previous 2 years and those of the last quarter verified by the department in charge of the enterprise or an accounting office;
- (7) Other documents that the enterprise needs to furnish at the request of the People's Bank of China.

Article 16: The total face value of bonds issued by an enterprise should not exceed the net value of its self-raised assets.

Article 17: When an enterprise issues bonds to raise funds for investment in fixed assets, the investment projects should be examined and approved by the departments concerned and incorporated into the scale of investment in fixed assets under state control.

Article 18: Face-value interests of the bonds should not be 40 percent higher than the interests offered by banks to ordinary residents for time deposits having the same period of maturation.

Article 19: Enterprises owned by the whole people can only use self-raised funds, which are at their disposal as prescribed by the state, to purchase bonds.

Establishments can only use the funds which are at their disposal as prescribed by the state to purchase bonds.

Article 20: Incomes of units or individuals derived from interests generated by enterprise bonds are taxable according to state regulations.

Article 21: Enterprises can sell bonds by themselves, or they can entrust banks or other banking institutions to sell bonds for them.

Institutions entrusted to sell bonds for enterprises shall charge handling fees accounting for a certain percentage of the total face value of the bonds they are entrusted to sell.

Institutions entrusted to sell bonds for enterprises do not undertake responsibility for the state of operation of the entrusting enterprises.

Article 22: With the approval of the People's Bank of China, all professional banks and other banking institutions may engage in the business of transferring enterprise bonds.

Article 23: Non-banking institutions or individual citizens are not allowed to engage in the business of selling bonds for others and transferring bonds.

Article 24: The People's Bank of China has the right to supervise and inspect the use of funds by bond-issuing enterprises as well as enterprises and establishments that purchase enterprise bonds.

#### Chapter IV: Legal Responsibilities

Article 25: The People's Bank of China and its branch offices have the right to impose the following penalties on enterprises that violate provisions in Section 2 of Article 3, as well as Articles 4, 7, 11, 15 and 17 of these interim regulations when issuing bonds:

- (1) Ordering the enterprises to stop the illegal activities and return the raised funds;
- (2) Freezing the funds raised by the enterprises through the issuance of bonds;
- (3) Notifying those banking institutions with which the enterprises have accounts to stop extending loans to the enterprises;
- (4) Imposing fines amounting to less than 5 percent of the funds involved in the illegal activities.

The above penalties may be imposed concurrently.

Article 26: The People's Bank of China and its branch offices have the right to impose the following penalties on banking and non-banking institutions or individual citizens who violate articles 22 and 23 of these interim regulations:

- (1) Ordering them to stop illegal operations;
- (2) Confiscating unlawful incomes;
- (3) Imposing fines amounting to less than 5 percent of the funds involved in the illegal activities.

The above penalties may be imposed concurrently.

Article 27: Administrative and economic responsibilities of responsible persons concerned of units penalized according to Articles 25 and 26 of these interim regulations should be investigated and affixed.

Article 28: Administrative and economic penalties should be imposed on working personnel of the departments in charge of enterprise bonds who are found to have violated the provisions of these interim regulations, been guilty of serious dereliction of duty, and engaged in fraudulent practices.

#### Chapter V: Supplementary provisions

Article 29: The People's Bank of China is responsible for interpreting these interim regulations, and shall formulate the procedures for implementation.

Article 30: These interim regulations shall be implemented on the day of promulgation.

#### GU MU, GOVERNOR AT EXHIBITION ON GUANGDONG

OWO60535 Beijing XINHUA Domestic Service in Chinese 1451 GMT 5 Apr 87

[By reporters Chen Xianjin and Ding Jianming]

[Excerpts] Beijing, 5 Apr (XINHUA) — An exhibition on Guangdong Province's achievements in using foreign capital and importing technology was held at the Chinese People's Revolutionary Military Museum in Beijing today.

The exhibition displayed to Beijing residents the brilliant achievements made by Guangdong Province in 7 years of opening to the outside world. It was composed of 18 pavilions, including pavilions related to the investment climate; science and technology; agriculture, animal husbandry, and fishery; Overseas Chinese enterprises; the garment industry; and pavilions representing 13 prefectures and cities in Guangdong Province. More than 1,300 enterprises with over 3,000 products participated in the exhibition.

The new products and technologies displayed in the exhibition hall attested to Guangdong Province's achievements in using foreign capital and importing technology since July 1979. [passage omitted]

State Councillor Gu Mu and Guangdong Governor Ye Xuanping attended the inaugural ceremony today and cut the ribbon for the occasion.

JIANGXI LEADERS MEET PARTY SCHOOL STUDENTS

OWO61115 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 5 Apr 87

[Excerpts] According to JIANGXI RIBAO, provincial leaders who were in Beijing to attend the Fifth Session of the Sixth NPC cordially received 37 CPC Central Party School students who hailed from Jiangxi at the Beijing Office of Jiangxi Province yesterday. Present at the reception were Wan Shaofen, secretary of the provincial party committee; Wu Guangzheng, governor; Xu Qin, deputy secretary, Zhao Zengyi, chairman of the provincial advisory commission; Wu Yongle and Jin Liqiang, vice chairmen of the provincial CPPCC Committee; and others. [passage omitted]

During the reception, Wu Guangzheng briefed the students on the province's economic situation and encouraged them to study hard and, after completing their study, to return to serve the province.

Secretary Wan Shaofen encouraged them to earnestly study Marxism-Leninism-Mao Zedong Thought and the central documents well, integrate theory with practice, and genuinely raise their level in ideology and theory.

XINHUA DETAILS REVIVED INVESTMENT IN SHANGHAI

OWO31445 Beijing XINHUA in English 1324 GMT 3 Apr 87

[Text] Shanghai, April 3 (XINHUA) -- Direct foreign investment in Shanghai, the biggest industrial city in China, is rising again after a temporary drop last year.

During the first quarter this year, Shanghai ratified the establishment of 27 foreign-funded enterprises, whereas there were only eight at the same time last year. Direct foreign investment amounts to 117 million U.S. dollars, a more than tenfold increase over that at the same time last year.

Over 60 percent of these enterprises are production ventures. Among them, Shanghai Delta Circuit Inc. and Shanghai Hexhong-Carrier Air-conditioning Equipment Ltd are fairly large joint ventures with advanced technology.

So far, direct investment in Shanghai by 18 countries and regions has amounted to 1.62 billion U.S. dollars. A total of 242 joint ventures, and foreign-funded and cooperative enterprises have been set up.

Shanghai has accepted a total of 1.94 billion U.S. dollars of foreign funds including various non-direct investments.

Specialists hold that the reinvigoration of foreign investment is mainly due to the improvement of the investment environment, the implementation of encouragement measures and wider opening to the outside world.

On March 23 Shanghai issued stipulations giving foreign investors favorable treatment in the Minhang and Hongqiao Economic Areas.

The Minhang Economic Area, over 20 km from the center of the city, also set up 16 foreign-funded enterprises and introduced 30 million U.S. dollars in foreign funds.



Shanghai has set up three special institutions to serve foreign traders.

The foreign exchange adjustment center helps smooth foreign exchange transactions among foreign-funded enterprises. Its business volume amounts to over six million U.S. dollars. [Name indistinct] Co. Ltd was provided with badly needed steel, cement and timber by the materials service center and installed a number of transformers in time to ensure production.

#### ZHEJIANG'S WANG ON REFORMING PUBLIC SECURITY

OWO51405 Hangzhou ZHEJIANG RIBAO in Chinese 24 Mar 87 P 1

[Text] A provincial forum on reform in public security work was held in Hangzhou from 20 to 23 March. Provincial party Secretary Wang Fang spoke at the forum.

In his speech, Comrade Wang Fang emphatically elaborated on the principles and policies laid down since the 3rd Plenary Session of the 11th CPC Central Committee and the mission facing public security organs. He said: Public security cadres and policemen, being on the forefront in preserving stability and unity, must take the whole situation into consideration rather than tackling cases in isolation. They must put greater efforts into investigation. In dealing with current, major public security disorders, they should look into them case by case, study every problem, and make plans at every stage, to find out the underlaying factors. In other words, they should know both themselves and the enemy to win every battle without fear of defeat. They should further test in practice what they have learned from investigation and study to continuously deepen and elevate their understanding. They must pay more attention to study, keep in touch with people from all walks of life, and acquire comprehensive knowledge. Only through serious study can they increase their ability to tell right from wrong, carry out their duties correctly, and ensure smooth progress of socialist modernization.

The forum studied and examined ways to readjust the emphasis of public security work in light of the new situation; to continue countering serious criminal activities quickly and earnestly in accordance with the law; to reform and develop public security administration; to adapt to the new situation created by the policy of reform, opening to the outside world, and enlivening the economy; to reform responsibility systems; and to build the public security force. At the forum, Xia Zhonglie, head of the provincial Public Security Department, pointed to four relationships that deserve special attention in reforming public security work: the relationships between carrying on the fine traditions of public security work and blazing new trails; between the struggle of the moment and that over the long term; between theory and practice; and between exploration and application.

#### BRIEFS

ANHUI CONSTRUCTION CURB — Hefei, 2 Apr (XINHUA) — The Anhui Provincial Government has urged all organs at the provincial level to stop the construction of office buildings this year. Officials of the province say they'll save 140 million yuan by stopping nonessential construction. They plan to concentrate their limited investment funds on the most important construction projects, including agriculture, forestry, water conservancy, and education. Meanwhile, the provincial government has tried to adjust its capital construction plan and pool funds in various ways to ensure these projects' steady development, the official said. As a result, the investment in production-related projects covered 73.7 percent of their investment funds while spending on nonproductive projects decreased to 26.3 percent of the total construction investment in the province. [Text] [Beijing XINHUA in English 1248 GMT 2 Mar 87 OW]

HUBEI'S GUAN GUANGFU ADDRESSES SCIENCE CONGRESS

HK060225 Wuhan Hubei Provincial Service in Mandarin 1000 GMT 1 Apr 87

[Text] The third congress of the Hubei provincial science and technology association made a grand opening at Wuhan's Hongshan auditorium this morning [1 April]. More than 1,000 outstanding people from the province's science and technology circle happily met to discuss the prime issue of how to make the province's science and technology circle happily met to discuss the prime issue of how to make the province's science and technology thrive.

Responsible comrades of the provincial party committee, the provincial advisory commission, the provincial people's congress, the provincial government, the provincial CPPCC committee, and the provincial military district, Guan Guangfu, Zhao Fulin, Qian Yunlu, Duan Yongkang, Liu Huinong, Jiao Dexiu, Huang Zhengxia, Han Nanpeng, Mu Changsheng, Sun Yaohua, Mao Gengsu, and (Wang Jieqing), and Rao Xingli, member of the CPC Central Committee now in Wuhan, attended today's opening session.

On behalf of the China Association for Science and Technology, Gao Chao, deputy secretary of the party committee and member of the secretariat of the China Association for Science and Technology, offered congratulations on the opening of the congress.

On behalf of the provincial party committee and the provincial government, provincial party committee Secretary Guan Guangfu extended lofty respects and kind regards to science and technology workers who are now fighting on all fronts of the province.

In his speech Guan Guangfu pointed out that only by consolidating a political situation of stability and unity, will there be scientific and technological development and academic prosperity, and will it be possible to build mass organizations of science and technology with Chinese characteristics. Therefore, in carrying out scientific and technological work we must uphold the four cardinal principles, oppose bourgeois liberalization, and resolutely implement the policy of respecting knowledge and talented people and the policy of "letting a hundred flowers blossom and a hundred schools of thought contend." Science and technology associations at all levels and the vast number of science and technology workers must fully display their talents on the main battlefield of economic construction, around the four modernization drive, the central task of the whole party. They must work toward attempting to fulfill the target set at the enlarged session of the provincial party committee.

Guan Guangfu said: In developing the province's science and technology, we must adhere to internal reform of science and technology associations, actively promote the continuous deepening of the reform of the entire science and technology structure, and serve reform and opening up. We must vigorously spread scientific and technological knowledge, actively advocate a scientific spirit, and make new contributions to the building of socialist spiritual civilization in the province. Party and government leaders at all levels must further strengthen their leadership over the overall science and technology work, and unite with all scientific and technological workers to forge ahead and to achieve more fruitful results.

The congress continued its session this afternoon [1 April]. On behalf of the second committee of the provincial science and technology association, Liu Jiankang, chairman of the provincial science and technology association, delivered a work report entitled "Boldly Carry Out Reform, Forge Ahead, and Contribute Our Ability and Wisdom to the Building of the Two Civilizations in Hubei." The report reviewed the results the association has achieved since the second congress of the provincial science and technology association and arranged future tasks.

HUBEI'S GUAN PRESIDES AT AGRICULTURAL MEETING

HK040331 Wuhan Hubei Provincial Service in Mandarin 1000 GMT 3 Apr 87

[Excerpts] The provincial party committee convened an enlarged meeting of its Standing Committee on 2 April. The meeting listened to reports from the provincial party committee Rural Work Department and the provincial government financial office on current spring farming, the supply of materials for agricultural production, and on the implementation of the relevant economic policies. The meeting seriously discussed current agricultural production and the guiding idea and policy measures for achieving a bumper harvest over the whole year.

Comrade Guan Guangfu presided at the meeting. The specific views of the meeting were as follows:

1. Firmly establish the idea of regarding agriculture as the foundation and do everything possible to achieve a bumper harvest this year. This should be regarded as the most important content of this year's drive to increase production and practice economy and increase revenue and cut spending, and as an outstanding guiding idea in current economic work, especially rural work.

The meeting held: The current rural situation is good and the peasants' enthusiasm is high. However, we must soberly realize that the weather has been abnormal this year. In particular, temperatures have recently been lower than normal, and serious frost damage has occurred in some places. This has had an unfavorable effect on agricultural production. A lot of work remains to be done in properly implementing the various rural policies and the measures for increasing agricultural production. We must therefore guard against and eliminate blind optimism, and get a thorough and firm grasp of all aspects of work. [passage omitted]

2. Urgently mobilize and work hard through April to fight natural disasters, carry out spring sowing, tend the crops, and thus lay a firm foundation for bumper agricultural harvests over the whole year.

The meeting pointed out that April is the key season in sowing the crops and the month when spring farmwork is most concentrated. It is a key period in the agricultural production of the entire year. If the foundation is laid well in April, we will have the initiative in the whole year; otherwise, we will be in a passive position. The leaders at all levels must attach great importance to this question, carry out urgent mobilization, and get a firm grasp of the key links in production without missing the season.

Although some of the summer crops have been seriously hit by frost, it is not certain yet what affect this will have on the harvest. We should further improve care of the crops, pay attention to draining waterlogged land, take precautions against plant diseases, apply more fertilizer, and strive for a bumper harvest. In early spring, we should take steps to nurse more seedlings and nurse strong seedlings, and increase the transplanted area as much as possible. We should strive to grow more hybrid rice. In cotton, we should further publicize and implement the policies, work well, and ensure that the task of sowing more than 7 million mu is fulfilled. We must also pay attention to timely sowing, and strive for a sturdy cotton crop that buds early.

Some of the summer oil-bearing crops have suffered damage. We must take effective measures to strive to expand the yields of peanuts and sesame, to recoup the summer losses in the autumn. [passage omitted]



3. All sectors must closely cooperate and regard organizing the supply of materials for agricultural production as a current major task in agricultural production. [passage omitted]

In the previous period, some places failed to estimate sufficiently the peasants' enthusiasm for increasing input in production, and the organization and supply of production materials failed to keep up with the peasants' demands. There are big shortfalls in major production materials such as chemical fertilizer and plastic sheeting. We must take further steps to organize the production and supply of these materials. [passage omitted]

The price departments must step up inspection and control of prices of rural production materials and curb indiscriminate price hikes. We must mobilize the peasants to collect, make, and use more domestic manure year-round to make up for the chemical fertilizer shortage, economize on expenditures and improve soil fertility. [passage omitted]

4. Attach great importance to implementing the various economic policies for developing agriculture and protect the masses' enthusiasm.

The meeting demanded that all levels and departments carry out an all-round study on the implementation of the various economic policies for increasing agricultural output and achieving bumper harvests, and seriously study and resolve weak links when found. The most urgent task is to continue to make great efforts to implement and make good the contracts for purchase of grain, cotton, and oil, and the policy of linking the contract to three things. [passage omitted]

With regard to grain not covered by the contracts, we should lift restrictions as far as possible and promote invigoration and rational mobility. This will be of great importance for stimulating diversification in the mountain areas, the development of cotton production in the plains, the construction of small market towns, the readjustment of the production structure, the development of town and township enterprises, and the protection of the peasants' enthusiasm for growing grain. We must therefore unify our understanding, do a good job in investigation, and study specific ways of lifting restrictions and promoting invigoration. [passage omitted]

5. Concentrate efforts, improve work style, and strengthen leadership over spring farmwork. [passage omitted]



GUIZHOU MEETING SETS DISCIPLINE INSPECTION TASKS

HK050747 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 4 Apr 87

[Excerpts] A provincial discipline inspection work conference, convened on 4 April, pointed out that the discipline inspection organizations at all levels must stand in the forefront of the struggle against bourgeois liberalization, do a good job in education in party spirit, strictly enforce party discipline, continue to support and promote reforms, play their supervisory role, and further consolidate and develop the excellent situation of the whole party working to improve party style. The meeting demanded that this year's discipline inspection work be focused on the following six tasks:

1. Resolutely uphold the party's political discipline. The discipline inspection organizations must firmly stand in the forefront of the struggle against bourgeois liberalization and regard preserving the party's political discipline as their important task. [passage omitted]

2. Actively promote and protect the reforms. The discipline inspection organizations at all levels must further enhance understanding on supporting and promoting reforms, strengthen their confidence, be bold in exploration, and score new successes.

3. Get a good grasp of correcting unhealthy trends and investigating and dealing with cases. This year we must continue to correct abuses of power, oppose bureaucratism, waste, and extravagance, and correct malpractices in illegally buying and selling land for building houses and in indiscriminately cutting down trees. [passage omitted]

We must put a stop to party-member cadres organizing lavish weddings and funerals and indulging in feudal superstitions and so on.

4. Launch in depth education in party spirit. We must do a good job in conducting education in upholding the four cardinal principles and opposing bourgeois liberalization and in building socialism with Chinese characteristics. [passage omitted]

5. Continue to play a supervisory role. [passage omitted]

6. Strengthen the building of the discipline inspection contingent. [passage omitted]

BRIEFS

GUANGXI SUGAR PRODUCTION -- Nanning, April 4 (XINHUA) -- South China's Guangxi Zhuang Autonomous Region became China's second-largest sugar producer, with sugar output in the 1987 refining season (November 1986 to March) reaching 1.04 million tons. Last year, the region grew sugarcane on 206,000 hectares and 9.4 million tons of sugarcane were harvested, up 26.8 percent over 1986, local officials said today. The region has built 87 sugar plants, which together can press 79,000 tons of sugarcane per day. Guangdong Province, China's leading sugar producer, produced 1.56 million tons last year. The same year saw China produce 5.16 million tons of sugar, ranking fifth in the world. [Text] [Beijing XINHUA in English 0904 GMT 4 Apr 87 OW]

LI XIMING, OTHERS PLANT TREES IN BEIJING

SK040754 Beijing BEIJING RIBAO in Chinese 23 Mar 87 p 1

[Excerpt] Beginning in late March, our municipality entered an excellent season for afforestation. Through the conscientious preparations made by the relevant departments, the spring afforestation work began in the urban areas and the suburbs. Yesterday morning, more than 250 cadres and staffers of the Rural Work Department of the municipal party committee, the municipal agricultural office, and 14 bureaus under the municipal agricultural department planted trees at the afforestation base of the municipal agricultural department at Yanzikou in Changping County despite a slight snowfall.

Li Ximing, Chen Xitong, Wang Xian, and Huang Chao participated in yesterday's tree planting activity. [passage omitted]

HEBEI'S XING CHONGZHI SPEAKS ON FAMILY PLANNING

SK060552 Shijiazhuang HEBEI RIBAO in Chinese 17 Mar 87 p 1

[Text] Seek unity of thinking, clearly understand the situation, strengthen leadership, and unswervingly control the growth of population. This is what Xing Chongzhi, Xie Feng, Li Wenshan, and Cen Yujie, leading comrades of the provincial party committee and the provincial government, repeatedly stressed at the provincial family planning work conference which concluded on 16 March.

The 4-day provincial family planning work conference sponsored by the provincial party committee and the provincial government conscientiously relayed the guidelines of the National Family Planning Work Conference; discussed and studied the grim situation of our province's family planning work, the issue concerning strengthening leadership over the family planning work, and the issue concerning comprehensively implementing policies; and exchanged experiences. Leading comrades of the provincial party committee, the provincial People's Congress Standing Committee, the provincial government, and the provincial CPPCC committee attended today's conference. Chen Yujie presided over the conference. Li Wenshan made a summing-up speech. Xing Chongzhi, Xie Feng, and Chen Yujie successively made speeches. In their speeches, they stressed the importance, arduousness, and regularity of the family planning work; pointed out that we should clearly understand the situation and comprehensively and unshakably implement the current policies on family planning work; and urged that it is necessary to strengthen leadership and the construction of grassroots organizations, conscientiously solve the practical problems related to human, financial, and material resources, and strive to upgrade the quality of family planning work.

They pointed out; we must clearly understand the province's situation of having an excessively high population growth rate. The total population in the early days after the founding of the PRC was 30.86 million. The population increased to more than 56 million during the past 37 years. The per-capita cultivated area was reduced from 3.53 mu in 1953 to 1.78 mu in 1985. At present, the per-capita income of the rural people in our province is only 4.07 yuan, lower than the national average level. The per-capita annual wages of staff members and workers were 42 yuan lower than the national average level. The reality told us that the province's economic development strategic targets are to make efforts to develop economic construction on the one hand and to unshakably and strictly control the population growth rate on the other hand in an effort to make our province's population growth suit the demands of economic and social development. [paragraph continues]

As the Seventh 5-Year Plan period is a baby boom period, we should fully understand the arduousness of the work of controlling population growth; should strive to achieve the work for this and following years; and should make efforts to ensure that 90 percent of the women at child-bearing age and already with a child wear contraceptive loops, 90 percent of the child-bearing women with two children or more receive tubal ligation, remedies be given to 90 percent of the unplanned pregnant women, fines be imposed on 90 percent of the women who violate regulations on family planning work, birth control rate reach 90 percent, and multiple birth rate be controlled below 1 percent. The people from higher to lower levels should take effective measures for implementing the work among each and every village.

They unanimously held that the policies on family planning are extremely important policies. Cadres must seek unity of thinking and cease fearing difficulties, complaint notes, and engaging in procrastination. We should conduct propaganda and education among the masses in order to make them understand and comprehensively implement the policies on family planning work. The current policies on family planning work should be regarded as a whole. The entire concepts of the policies are; first, generally advocate a couple to give birth to one child. Second, advocate late marriage and late birth. Third, people with actual problems should be arranged to give birth to a second baby according to regulations. Fourth, strictly control second and multiple births and the situation of arbitrarily violating policies on family planning work. Thus, we should correctly understand and comprehensively implement the policies and should not place emphasis on the one hand to the neglect of others.

They especially stressed that family planning work is a matter related to the whole party as well as an important policy matter. The party committees and governments at all levels should conscientiously strengthen leadership over the work. Principal responsible comrades of the party committees and governments should define management targets for ensuring the fulfillment of the planned population growth targets and the economic construction targets. Simultaneously, we should organize the forces from all fronts to cooperatively grasp family planning work and to comprehensively tackle problems concerning family planning work. "Proposals Concerning Provincial-level Departments Cooperatively Grasping Family Planning Work and Comprehensively Tackling Problems Related to the Work" have been drawn up. The proposals will formally be issued to the lower levels after revision.

They held that we must rely on the grassroots to carry out the family planning work, including transforming the thinking on child birth and fostering new social practices. Therefore, we must set up and perfect grassroots organizations in charge of family planning work, strengthen the regular family planning work, and focus on conducting propaganda and education on contraception.

They called on leading cadres at all levels, particularly, grassroots cadres, to rectify party style, improve work style, and solve the problems concerning violating policies on family planning work. Problems in this regard should be handled strictly once discovered. Serious problems should be submitted to the higher levels of criticism. Problems of such kinds related to cadres and party members should be punished according to the established policies.

#### NEI MONGGOL'S ZHANG ON ULANQAB LEAGUE WORK

SK060711 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 5 Apr 87

[Text] From 2 to 4 April, leading comrades of the regional party and government organizations, including Zhang Shuguang, Bu He, Liu Yunshan, and Liu Zuohui, and responsible comrades of pertinent departments gathered in Ulanqab League. [paragraph continues]



They held an on-the-spot office meeting to discuss major programs for helping Ulanqab League end poverty and become prosperous. Leading comrades unanimously maintained: [words indistinct] the only way to help Ulanqab League abolish poverty and prosper as soon as possible is to develop animal husbandry through planting trees and grass in line with nature to support animal husbandry with agriculture, promoting agriculture with animal husbandry, and integrating agriculture with animal husbandry.

After reviewing the league's production over the past 30-odd years and analyzing its successive bumper seasons in animal husbandry in the past 3 years despite natural disasters, Zhang Shuguang pointed out: For an arid area like Ulanqab League, it is impossible to cast away poverty and prosper by concentrating on agriculture and grain production alone. After summing up past experiences, analyzing the current situation, and considering the long-term and immediate interests, the only way for Ulanqab League to prosper is to develop animal husbandry through planting trees and grass and increase output value through developing the processing industry. We should exploit favorable conditions of various localities to seek ways of making money. Hilly and gully areas should be planted with trees and grass to conserve water and soil and restore ecological balance. Pastoral areas should plant and store up grass, repair and build livestock sheds to protect female animals, stud stock, and fine breeds of livestock in order to increase production and should breed animals in a systematic manner. Small cities and towns should open up more circulation channels and invigorate town and township enterprises. At the same time, they should never neglect grain production. [words indistinct]

With regard to developing animal husbandry through planting trees and grass, Comrade Zhang Shuguang stressed the following items of work:

1. We should pay attention to science and technology. We should list the scientific and technological work as an important item on our daily agenda, and persistently gear that work to economic construction. We should learn from the experiences of the Qahar Right Rear Banner on reforming the scientific and technological structure, and mobilize scientists and technicians by integrating duties with rights and interests. We should also encourage scientists and technicians to go to the countryside in order to guide peasants and herdsmen to prosperity through science.
2. We should improve leadership style and work methods. We should organize cadres to go to the countryside to conduct investigations and studies and sum up experiences in order to encourage the masses to prosper by showing them some typical cases in this regard. [Passage indistinct] We should tap potentials and exploit our favorable conditions to develop town and township enterprises, and build projects which consume fewer resources but yields quicker returns.
3. We should deepen enterprise reforms, strengthen enterprise management, and raise economic results. [Words indistinct] We should eliminate financial loopholes and vigorously launch the campaign of increasing production and practicing economy and increasing revenues and cutting expenditures. [passage indistinct]
4. We should support the poor. Special attention should be paid to the prevention and curing of endemic diseases for the mountainous and old revolutionary base areas and the minority nationalities. [passage indistinct]
5. We should pay attention to the education among peasants and herdsmen. We should conduct education on ideals, discipline, and the legal system among peasants and herdsmen in order to change their ways of thinking. [passage indistinct]



YIN KESHENG ADDRESSES TASKS AT QINGHAI MEETING

HK040243 Xining Qinghai Provincial Service in Mandarin 2300 GMT 3 Apr 87

[Text] The seventh enlarged plenary session of the sixth Qinghai Provincial CPC Committee concluded on 3 April after 3 days in session. Provincial party committee Secretary Yin Kesheng spoke at the meeting, focusing on two issues: 1) a number of tasks work to be grasped 2) strengthen and improve ideological and political work.

Yin Kesheng said: The provincial party committee work conference held at the end of last year and the meeting of autonomous prefecture and county governors held in February made all-round arrangements for this year's work in accordance with the central authorities' demands. In the past 3 months, the party and government organizations at all levels in the province have actively unfolded their work, and the general situation is good.

In view of the state of work during the first quarter, it is still necessary to emphasize four questions: 1) through study, carry out in depth the struggle against bourgeois liberalization. 2) Get a thoroughly good grasp of the drive to increase production and practice economy and increase revenue and cut spending. 3) Have firm confidence in continuing to do a good job in supporting poor areas. 4) Seriously promote the building of spiritual civilization.

Yin Kesheng said: Attaching importance to ideological and political work is our party's fine tradition and a new topic for the whole party in the new situation. During the new period, ideological and political work must be closely centered on upholding the four cardinal principles opposing bourgeois liberalization, strengthening the building of socialist spiritual civilization, cultivating citizens with four qualities, persevering in reform and opening up, and promoting the sustained and steady development of the national economy. All these are major principles and fundamental tasks.

In light of Qinghai realities, we should do a good job in ideological and political work in five respects: First, we must regularly conduct education in the situation, tasks, and policies for the cadres and masses, to unify their thinking, boost their morale, and strengthen their confidence. Second, we should vigorously commend heroic and model figures as examples for everyone to emulate. Third, we must hold dialogues with the masses through a variety of channels, to bring closer the relations between the party and the masses. Fourth, we should vigorously revive and carry forward the fine work style of criticism and self-criticism. Fifth, we must carry forward the fine tradition of ideological and political work, probe new ways, and sum up new experiences. Closely centered on reform and opening up, we must integrate ideological and political work with improving leadership style, being concerned for the masses' daily life, and resolving practical problems.

We must also step up the building of the political work contingent, improve the political and professional qualities of the political work cadres, and support them in doing their work boldly.

Yin Kesheng said in conclusion: We have made a good start in the first quarter. The provincial party committee hopes that the party organizations, the party members and cadres, and the people of all nationalities throughout the province will resolutely implement the line, principles, and policies since the 3d Plenary Session of the 11th CPC Central Committees, implement the spirit of the 5th Session of the 6th NPC, uphold the four cardinal principles, persevere in reform and opening up, unite closely, work hard, and strive to do all work even better, to greet the victorious convening of the 13th Party Congress with practical deeds.

I. 7 Apr 87

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PRC REGIONAL AFFAIRS  
NORTHWEST REGION

The session was attended by members and alternate members of the provincial party committee, members of the provincial advisory and discipline inspection commissions, party-member vice chairmen of the provincial People's Congress Standing Committee, vice governors, party-member vice chairmen of the provincial CPPCC, secretaries of prefectural and city party committees, and secretaries of party groups or committees of the provincial party and government organs, totalling some 130 persons.

#### SHAANXI LEADER ON FOREIGN AFFAIRS, TOURISM

HK050111 Xian Shaanxi Provincial Service in Mandarin 0030 GMT 5 Apr 87

[Excerpts] Provincial party committee Secretary Bai Jinian stressed in a speech yesterday at the provincial conference on foreign affairs and tourism that it is essential to uphold the four cardinal principles when engaged in foreign affairs work, and serve the building of socialism.

Comrade Bai Jinian said in his speech: Shaanxi has made rapid progress in foreign affairs and tourism work since the 3d Plenary Session of the 11th CPC Central Committee. However, the question of how to take a correct view of foreign affairs work has by no means been solved yet among the foreign affairs and tourism contingent. Our aim in practicing the principle of opening up to the world is to build a prosperous, rich, and strong People's Republic of China and to build socialism with Chinese characteristics. Comrades engaged in foreign affairs and tourism work must certainly not harbor impure motives of seeking individual advantage. They must at all times remember the general goal of building socialism. Hence, it is essential to conduct deep-going education in upholding the four cardinal principles for personnel engaged in foreign affairs work.

He also pointed out: The things we should learn from foreign countries in carrying out our foreign affairs work are those advanced technologies and experiences that are useful for China's socialist modernization drive. We must certainly not indiscriminately copy all foreign methods. We must resolutely oppose the erroneous concept of total westernization and reject the bourgeois ideas of being intent on nothing but profit, harming others to benefit oneself, with each trying to outwit the other and displaying extreme selfishness, and consciously resist the corrosion and influence of decadent bourgeois thinking. At the same time we must publicize ourselves; we must publicize the Chinese nation's ancient history and civilization, the achievements in the four modernization drive, and the contributions of the Chinese nation in history and at present in promoting the development of mankind.

Through our internal and external exchanges, we should continually promote understanding and friendship between the Chinese people and the peoples of the world.

Provincial party committee Deputy Secretary Zhou Yaguang and Vice Governor Xu Shanlin also spoke at the meeting. [passage omitted]

The 5-day meeting concluded yesterday.

#### SHAANXI LEADERS STRESS ANTILIBERALIZATION DRIVE

HK070211 Xian Shaanxi Provincial Service in Mandarin 0030 GMT 7 Apr 87

[Text] The provincial conference of Propaganda Department directors concluded on 6 April. On the final morning, the comrades attending the conference gathered to hear important speeches.

They included responsible comrades of the provincial organs, institutes of higher education, and factories, mines, and other units, totalling some 800 persons, who gathered in the hall of the provincial party committee to hear provincial party committee secretary Bai Jinian and provincial advisory commission chairman Zhang Ze. Also present were leading comrades of the provincial party committee, advisory commission, People's Congress Standing Committee, government, CPPCC, and military district.

The title of Bai Jinian's speech was "Unfold the Struggle Against Bourgeois Liberalization in a Resolute, Healthy, and Sustained Way." He focused on three issues: 1) Continue to seriously study and fully implement the spirit of the relevant central documents and carry out the struggle against bourgeois liberalization in a resolute, healthy, and sustained way. 2) Continue to strengthen the building of socialist spiritual civilization while carrying out this struggle. 3) Step up ideological and political work on all fronts.

Comrade Bai Jinian said: We must carry out the struggle against bourgeois liberalization in a resolute, healthy, and sustained way. By resolute, we mean taking a firm and clear-cut stand and attitude without the slightest ambiguity or wavering, which might lead to leaving the work half-completed.

By healthy, we mean strictly acting according to the framework, focal points, and policy demarcation lines laid down by the central documents. We must certainly not try to be different and go our own way. We cannot repeat historical mistakes by using leftism to oppose rightism, waging savage struggle, dealing merciless blows, linking problems to the upper and lower levels, or making everyone go through the ordeal. We cannot exceed the framework, focal points, and policy demarcation lines stipulated by the documents and inflate the struggle. We must promote, consolidate, and develop the political situation of stability and unity and stimulate reforms, opening up, and invigoration. We must ensure coordinated and steady economic development, and must not attack economic construction. We must promote socialist democracy and must not hamper normal democratic life.

By sustained, we mean establishing the concept of protracted combat and making plans for long-term struggle.

Comrade Bai Jinian pointed out that at present particular emphasis must be laid on resolution. Specifically, we must launch extensive and deep-going positive education in upholding the four cardinal principles and opposing bourgeois liberalization. We must do a resolute and proper job of straightening out newspapers and publications, boost and strengthen the media position, and do a good job in propaganda reporting on opposing bourgeois liberalization.

Comrade Bai Jinian pointed out that it is necessary to continue to step up the building socialist spiritual civilization while conducting the struggle against bourgeois liberalization. He said: These two are completely identical. Opposing bourgeois liberalization is itself an important aspect of building socialist spiritual civilization. It is wrong to set strengthening the building of socialist spiritual civilization against the struggle against bourgeois liberalization, and to separate the two. [paragraph continues]



We must seriously implement the CPC Central Committee decision on the guiding principles for building socialist spiritual civilization and the province's 1987 plan for building socialist spiritual civilization. At present we must pay particular attention to stepping up education in ideals and discipline. We must oppose liberal trends such as disseminating gossip and fabricating and spreading various political rumors.

After reviewing and summing up the province's achievements and experiences in ideological and political work in recent years, Bai Jinian said that it is necessary to further strengthen and improve ideological and political work, create new experiences and probe new ways during the practice of reform, and do a still sounder and more lively job in ideological and political work on all fronts.

Comrade Zheng Ze gave five views on how to carry out positive education in the struggle against bourgeois liberalization:

1. Grasp study. The rampant spread of the ideology of bourgeois liberalization and the weakness and ineffectiveness on the ideological front in recent years are related to the fact that certain leading cadres and many cadres and party members engaged in theoretical, propaganda, and cultural work have not done well in studying basic Marxist theory. Therefore, we must certainly not slacken study.

2. Write articles. This too is a good means of conducting positive education. Article can be organized in four categories: 1) articles criticizing bourgeois liberalization; 2) articles expounding on the four cardinal principles; 3) articles concerning basic Marxist theory; 4) articles popularizing basic knowledge of Marxism and knowledge of the history of the Chinese revolution.

3. Organize lectures. The provincial, prefectural, and county organs and the enterprises, undertakings, and units can organize periodical lectures and special topics, to promote systematic mass positive education.

4. Make full use of negative educational material in organizing the masses to educate themselves.

5. Conduct positive education through the newspapers, journals, radio, and television.

During the conference, Mao Shengxian, member of the standing committee of the provincial party committee and director of the Propaganda department, conveyed the spirit of the national meeting of Propaganda Department directors, and made a speech entitled "We must create a good atmosphere of Marxist theoretical studies in the party." (Li Shanglin), deputy director of the Propaganda Department, delivered a speech entitled "Launch in depth positive propaganda and education in building socialism with Chinese characteristics, and do a thoroughly sound job in promoting ideological and political work in urban enterprises."

The comrades at the meeting also discussed and amended a number of documents whose topics included a scheme for straightening out newspapers and publications in Shaanxi, a number of regulations on propaganda discipline in journalism and publishing, and views on arranging propaganda and education in building socialism with Chinese characteristics in urban enterprises throughout the province.



ADB MEMBERSHIP, LESS-THAN-NATION STATUS VIEWED

OWO60439 Taipei International Service in English 0200 GMT 5 Apr 87

[Station Commentary]

[Text] Foreign Minister Chu Fu-sung told members of the national legislature yesterday that the Republic of China [ROC] was not budging with regard to its membership name in the Asian Development Bank [ADB].

Minister Chu made the statement in reply to an interpellation by legislators who wanted to know how the government was handling the bank membership issue.

The ROC is a founding member of the ADB, which was established in 1966. Trouble for the ROC arose in February 1986 when Communist China was finally admitted a member of the bank. Peking's admission into the ADB has caused considerable damage to the ROC's interests in the bank. This came about because Peking insisted that it be recognized as the sole representative of China and that the ROC be derecognized or given a name change to become Taipei, China.

Peking's idea is to make the ROC on Taiwan subordinate to Communist China in the ADB. Despite having a charter that says no member nation will have its status altered by political considerations, the ADB went ahead and decided to go along with Peking's request, so the bank gave the ROC a name change.

The ROC has protested this charter violation and has refused to take part directly in bank activities for more than a year now. Officially the ROC says it will not participate in the bank nor will it withdraw. The government is purposely being ambiguous about the issue because it is still negotiating the name change issue with the bank. And though it is seriously displeased with the ADB, it does not want to pull out altogether.

The ROC legislature, meanwhile, is divided on the issue over how the ROC should participate in the ADB. Some legislators argued that the name of the country is not as important as maintaining substantive memberships in this and other international organizations. Since the ROC has accepted name changes in other organizations, like the Olympics, in which the ROC goes by Chinese Taipei, they argued the ADB case should not be treated any differently. Also, they implied that there is more at stake in the ADB, as it is the last intergovernment organization the ROC belongs to.

Supporters of the government's no-budge stand in the ADB counterargued that the ADB is not the same as other international organizations like the Olympics because the membership in the bank is held by the government and not an association or other private or semi-private group. In matters where the government is involved, only the nation's official title can be used.

The ROC Government also argued its case that the ADB charter specifically forbids this kind of treatment that the ROC has received from the bank over the name issue. It has become a matter of principle on both these issues where the official name is concerned.

Minister Chu insisted that the ROC will not accept the name change under any conditions. But the legislators speaking out against the government's ADB policy are not sure of the wisdom of taking the risk of getting booted out of the bank altogether or of becoming a non-active member by choice.

The ADB meanwhile, would like to see the ROC stay on. In the past 3 years the ROC has become one of the few donor nations in the bank. Communist China, on the other hand, is a large borrower of the bank's funds.

The ADB issue is part of the larger picture that concerns how far the ROC can go in accepting a status less than that of a nation state in international organizations. Is getting treated like a nation-state equal to being called one? That is a question open for debate in Taipei.

But for now the government is not budging on the ADB. It still stands on the principle that the Republic of China be referred to by that name or nothing at all. After all, the ROC is a nation. Why should she accept any status less than that?

#### TA KUNG PAO VIEWS TAIWAN 'SELF-DETERMINATION'

NK031021 Hong Kong TA KUNG PAO in Chinese 2 Apr 87 p 2

["Special Article" by Yu Ang (1342 2491): "'Should Not' and 'Cannot' -- Refuting the So-Called 'Self-Determination by Residents' of Taiwan"]

[Text] Since November last year, a gust of wind of "self-determination by residents" has been blowing on Taiwan Island. This has become a subject of much discussion.

"Taiwan Independence" Is a Euphemism [subhead]

The idea of "self-determination by residents" is raised by the political program of a new political party on the island. The original passage is: "The future of Taiwan should be jointly decided by all residents of Taiwan in a free, voluntary, general, just, and equal way." This passage is couched in ambiguous terms. But it is not difficult to find out its real meaning. Although some responsible members of the new party do not admit that "self-determination by residents" means "Taiwanese independence," foreign news agencies point out bluntly: The so-called "self-determination" is a tactful way to express "independence."

However, a small number of persons on the island enthusiastically preach "self-determination by residents." What are their intentions in doing so? If "self-determination by residents" means "Taiwan independence," as a Chinese, and a descendant of the Emperors of Yan and Huang, I cannot but say a few words, considering the general interests of the Chinese nation. It is because the "independence" of Taiwan "should not" and "cannot" be obtained. Such unpopular idea can never be materialized.

First, let me say something about "should not." Taiwan Province is a part of the divine land. Some 19 million Taiwan compatriots are natural members of the larger family of the Chinese nation. Over the past hundred years or so, big powers have never succeeded in dividing up China. It is because the whole world maintains that China is a unified and complete country. Various big powers have no right to divide up China. No Chinese is allowed to split up the territory of his country and turn it into another "country" because of his own selfish interests. Big powers have failed to divide up China. Should the Chinese themselves split up their country? If they do so, are they worthy of their ancestors and descendants?

## Departing From the Mother's Body, There Will Be No Genuine Independence [subhead]

For a long period in the past, we have shown concern and sympathized with the plight of Taiwan compatriots. We have also supported their struggle for their own democratic rights. However, when they are exploring their future, they should pay attention to not being ordered about by other people. They should not think that they will truly be happy after "independence." When superpowers are casting their greedy eyes, it is impossible for the small Taiwan Island to win genuine independence. Once it departs from the mother's body, it can only rely on the big nations, and live under their aegis. This is not the life of human being. This is not independence at all.

Have you not seen that some "American friends" are excessively enthusiastic in supporting "Taiwan independence?" They completely ignore the KMT Government, and treat the KMT as Ngo Dinh Diem of Vietnam. Some Japanese militarists are still addicted to their 50-year rule of Taiwan. They eagerly wish that some people in Taiwan might pursue "independence." It is very clear that who will benefit from the independence of Taiwan.

Now let me talk about "cannot." Today, the one billion compatriots who have stood up will never tolerate those "Taiwan independent" elements who sabotage the unification of the motherland. Taiwan compatriots, who are deeply conscious of the righteousness of the motherland's cause, will never support "Taiwan independence." Even proceeding from their own interests, Taiwan compatriots also realize that there will be no way out for Taiwan's "independence."

It is unpardonable for the Taiwan authorities to despotically oppress the people. However, they uphold the unification of the motherland, and oppose split. All these should be affirmed.

With regard to Beijing, their attitude is clear and definite. In November last year, Peng Zhen said that Beijing "has always paid close attention" to the activities of "Taiwan independence."

## Compatriots on Both Sides of the Straits Yearn for the Reunification of the Motherland [subhead]

To view the future of Taiwan, we should keep the general goals and overall situation in sight. The fact that Taiwan is separated from the mainland is a historical misfortune. But this is only a temporary phenomenon. Unification is always a common desire of the compatriots on both sides of the straits. This desire will be realized someday. Chinese should not fight each other. Political forces from the mainland, Taiwan, and various quarters should live in harmony, and strive for the fulfillment of the general goals of the reunification of the motherland, and add another magnificent chapter to the glorious history of the Chinese nation. Don't they think that it is right for them to do so?

VII. WESTERN EUROPE DAILY REPORT

Contents unchanged

VIII. SUB-SAHARAN AFRICA DAILY  
REPORT

Renamed; formerly SOUTH ASIA DAILY  
REPORT; contents include:

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